

# AGRICULTURAL OUTLOOK

November 1985

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United States Department of Agriculture



# AGRICULTURAL OUTLOOK

November 1985/AO-114



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# In Brief. . . News of Big Harvests, World Livestock and Oilseeds Outlook

Recent crop developments point to added financial stress in the farm sector. Record or near-record ending stocks for several major crops have pushed price forecasts near or below the loan rate for 1985/86. Livestock prices have also generally been below a year earlier, because of hog slaughter increases, heavier cattle weights, and expanded poultry meat production.

A 1985 omnibus farm bill was passed by the House of Representatives in early October. The Senate is also currently putting together a bill. The House bill continues the existing crop programs, but gives the Secretary of Agriculture more flexibility to change loan rates and determine acreage reduction and land diversion programs. When the Senate bill is passed and differences between the two versions are reconciled, the new law will authorize programs through crop year 1990.

Government dairy purchases are running sharply higher than a year ago. During January-September, USDA net removals (delivery basis) were equal to about 11 billion pounds of milk (milk-fat basis), up 36 percent from the same period in 1984.



The 1985 wheat crop is the smallest in 5 years. Prices have not strengthened, however, because early-season export demand is the slowest in over a dozen years.

Heavy participation in the 1985 rice program substantially reduced acreage for 1985/86. As a result, this year's rice harvest is expected to fall 4 percent from last year to 132 million cwt.

Cotton mill use rose from a seasonally adjusted annual rate of 5.2 million bales in November 1984 to 6.1 million

in August. The rebound occurred because consumption of U.S.-made textiles rose and cotton's share of U.S. mill use climbed.

Citrus production for 1985/86 is forecast at 11.2 million tons, up almost 10 percent from last season's freeze-damaged crop. Prospects for a sharply larger orange crop are the chief reason.

Corn exports for this season are expected to be 1,625 million bushels, a decline of about 225 million from 1984/85. Increased feed use may offset a portion of the export slide, though.

The 1985/86 world outlook for oilseeds and products calls for large supplies, small gains in use, and big stocks. Despite a modest recovery forecast for U.S. exports this season, U.S. soybean stocks will reach a record, with season-average prices lingering near the loan rate.

Beef and veal production in the major producing countries in 1985 is forecast to reach 42 million metric tons, a 1-percent increase from 1984. Output in the major foreign exporters will likely grow 2 percent, mainly because of gains in Argentina, Brazil, Australia, and New Zealand.



## Agricultural Economy

Recent crop developments point to added financial stress in the farm sector. Several crops will have larger-than-expected output, primarily because of increased yields. Corn and soybean yields are likely to set records. Higher-than-anticipated ending stocks for several major crops have pushed price forecasts near the loan rate for 1985/86. Livestock prices have also been generally below a year earlier because of hog slaughter increases, heavier cattle weights, and expanded poultry meat production.

Real growth in the general economy is likely to be higher in the second half of 1985 than in the first. And the economy is expected to perform better in 1986 than in 1985, but still much below 1984. Inventory growth should match expansion in final sales, and fixed investment should grow because

of recent declines in interest rates. However, agriculture will likely continue to be plagued by weak foreign demand and large supplies.

Prices of goods are not expected to increase significantly in the near term because of current low capacity utilization in many sectors and slack in labor markets. Continued low pressure on prices should help wring out the inflation premium in interest rates and contribute to the downward pressure on rates for the next two quarters.

The recent decline in the value of the dollar will begin to improve our competitiveness in world markets. Since responses in imports and exports lag behind changes in exchange rates, the major effect of the September dollar declines will begin to show up in mid-1986. A continued slow decline in the value of the dollar is expected through 1986 and, as a result, the net export position of the United States could increase slightly.

### *Net Farm Income Declining Sharply*

Net farm income for 1985 is heading for a sharp decline from last year's \$34.5 billion. Current forecasts are in the mid-\$20 billion range. Net cash income is forecast to decline moderately from 1984. While this indicator of returns has been quite stable in nominal terms, 1985 will mark the third consecutive decline in real terms.

From 1980 through 1984, the equity of the farm sector declined some \$180 billion. Farm debt continued to rise until 1984, while asset values, led by farm real estate, continued to decline. However, the losses in farm equity through 1983 were quite low—less than 5 percent. But the \$100-billion drop in 1984 represented not only a significant loss in wealth, but also a significant reduction in the credit reserve that many farmers rely on during periods of economic stress.

### *Structural Change Occurring*

The number of farmers with very low equity levels increased in 1985, because of the 12-percent decline in land

values in 1984. The farm sector is now making a transition to a debt structure supportable from farm earnings, not equity. Rapid increases in farm debt ceased in 1982, after considerable downward pressure on incomes and returns. But actual reductions in farm debt have been difficult to achieve because many farmers have little chance to sell land or repay principal from retained earnings.

The continued slide in land values has dominated the balance sheet in 1985. Although the 1985 decline will likely fall short of the 1984 drop, further declines in some regions are possible. [Ron Meekhof (202) 786-1290]

## LIVESTOCK HIGHLIGHTS

### • Cattle

Weights for fed cattle are still well above a year ago, indicating that feedlots still have a backlog of animals to market. In addition, because dressed weights rise seasonally during the fourth quarter and generally peak in mid-fall, they will remain high even if feedlots become current.

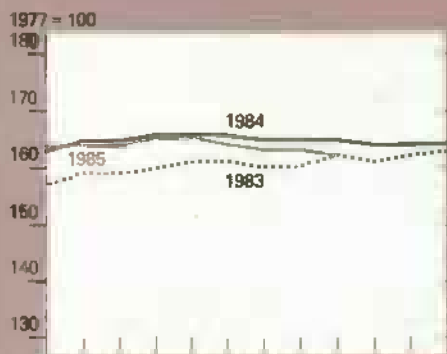
During August, federally inspected dressed weights averaged 666 pounds, 1 pound greater than the previous record set in May and 38 pounds over a year earlier. Fewer cows in the slaughter mix and higher slaughter weights for steers and heifers are partially responsible. Steer weights during August averaged 734 pounds, up 6 pounds from July and 36 pounds from a year earlier. For the same month, heifer weights rose to an average 647 pounds, compared with 617 a year earlier.

Live slaughter weights for cattle in the Texas-Oklahoma Panhandle peaked at 1,120 pounds the third week of September, sharply higher than the 1,092 recorded a year earlier.

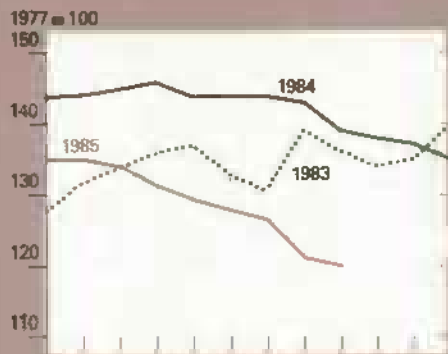
Because weights have remained high, third-quarter commercial beef production was about 3 to 4 percent greater

# Prime Indicators of the Agricultural Economy

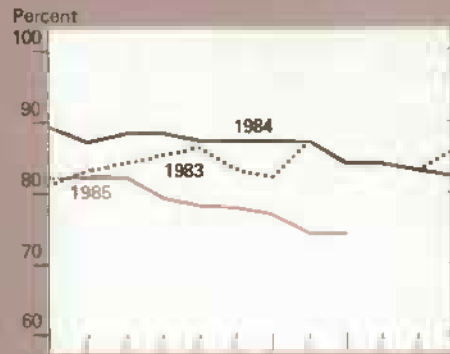
Prices paid by farmers<sup>1</sup>



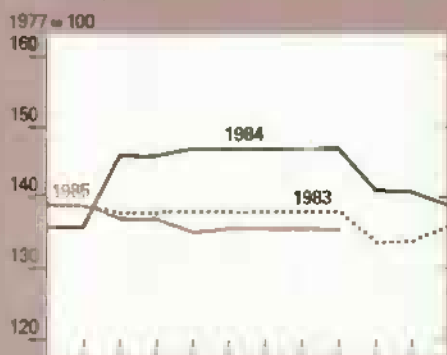
Prices received by farmers<sup>2</sup>



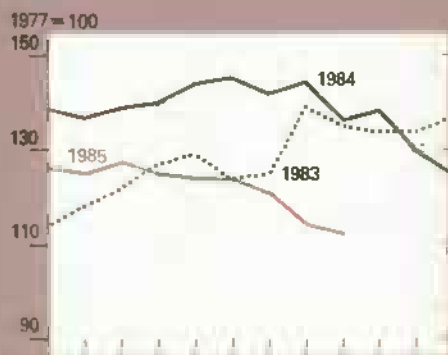
Ratio of prices received to prices paid



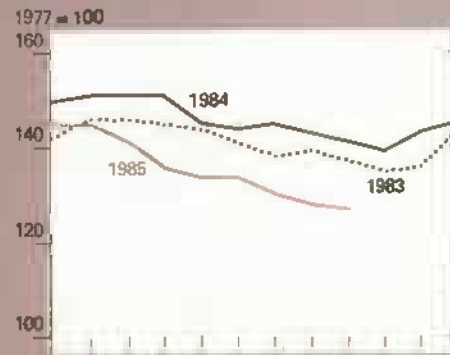
Fertilizer prices<sup>3</sup>



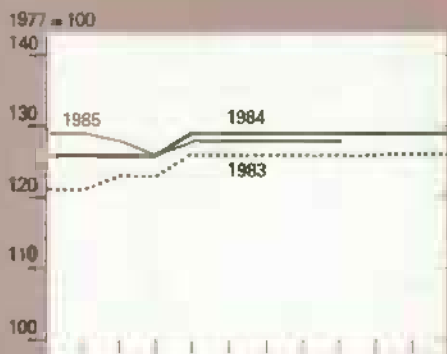
All crops<sup>4</sup>



Livestock and products<sup>4</sup>



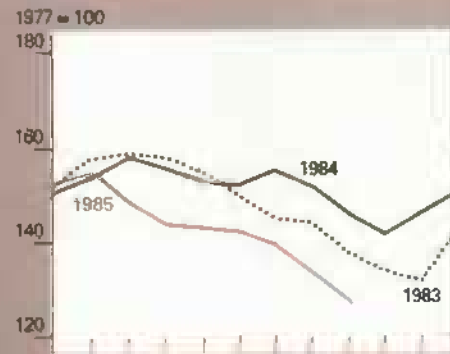
Agricultural chemicals<sup>3</sup>



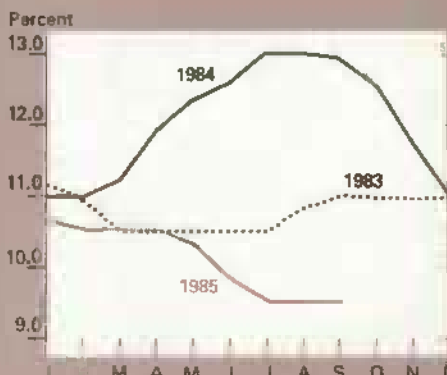
Food grains<sup>4</sup>



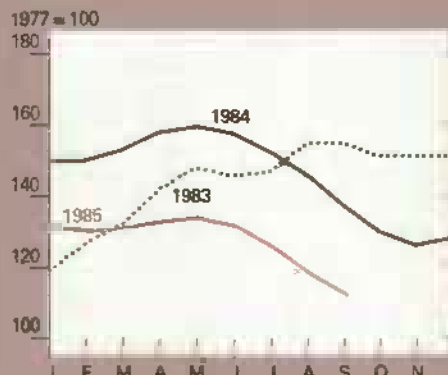
Meat animals<sup>4</sup>



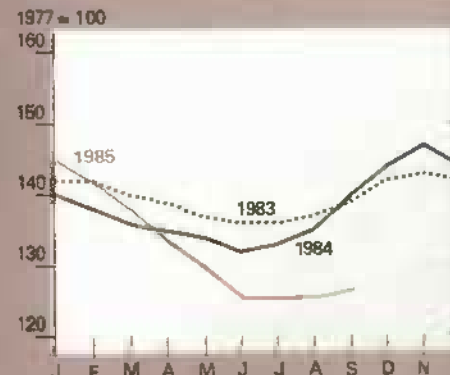
Interest rates—prime rate



Feed grains and hay<sup>4</sup>



Dairy products<sup>4</sup>



<sup>1</sup>For commodities and services, interest, taxes, and wages.

<sup>2</sup>For all farm products.

<sup>3</sup>Index of prices paid; 1977 = 100.

<sup>4</sup>Index of prices received; 1977 = 100.



than a year earlier. The number of animals slaughtered was down about 3 percent. The average commercial dressed weight for the quarter was about 658 pounds, 2 pounds above the second quarter and 36 above a year earlier.

Federally inspected steer and heifer slaughter for the first 3 quarters of 1985 numbered about 20.8 million head, while dressed weights averaged 690 pounds. For the same period in 1984, slaughter was about 20.3 million head and dressed weights averaged 663 pounds. The increased production this year resulting from the high dressed weights is equivalent to an additional 23,000 steers and heifers slaughtered each week from January through September.

During August, cattle feeders in the 7 monthly reporting States placed 11 percent fewer cattle on feed than a year earlier and marketed 1 percent more. Thus, cattle on feed on September 1 were down 9 percent from a year earlier. This was the lowest 7-States total of cattle on feed for the date since 1972—when the data series began—and placements were the lowest since 1981.

The big drop in placements may be somewhat deceiving because it is from a relatively large figure last year during August. The drop may distort estimates of when feedlots will become current.

More importantly, weights of cattle placed on feed during the third quarter were likely heavier than a year ago. This would portend a larger number of marketings during the fourth quarter than the number indicated by lower second-quarter placements. Generally, cattle placed on feed during the second quarter are marketed during the fourth quarter. However, if cattle are placed on feed at heavier weights during the third quarter, many of these will also be marketed during the fourth quarter.

Fed marketings during the fourth quarter will still likely be down about 4 percent from a year ago. However, average commercial dressed weights will probably drop only about 1 pound from the third quarter, leaving fourth-quarter beef production down 3 to 5 percent from last year.

Production declines will likely continue into 1986, with first-quarter output expected to drop 4 to 6 percent from this year's first quarter. Once again, though, high slaughter weights will boost production from what it would otherwise be, since it usually takes several months before weights decline after a feedlot marketing backlog.

Further drops in production throughout the year will likely leave 1986 output down 5 to 9 percent from 1985, because of fewer fed marketings during the first half, as well as sharp drops in cow and nonfed steer and heifer slaughter.

Omaha Choice steer prices averaged about \$52 per cwt during the third quarter, down from \$64 a year ago. As production drops during the fourth quarter, prices may strengthen to average \$58 to \$62. Higher steer prices next year will be supported by further declines in beef production. However, sharp increases will be limited by large total meat supplies and only moderate economic growth. Prices may average in the low \$60's during the first quarter and in the middle to upper \$60's during the second quarter.

An expected seasonal increase in placements this quarter will support higher feeder cattle prices. Yearling steer prices at Kansas City averaged about \$61 per cwt this summer, compared with \$64 a year earlier. Demand for a smaller number of feeder cattle, plus lower grain prices, will likely push prices to \$63 to \$67 this fall. Additional demand for stocker cattle for wheat pasture grazing will also support prices. Seasonal strength may push yearling steer prices to the upper \$60's or low \$70's by next spring. Kansas City steer prices may average \$65 to \$69 during the first quarter of 1986 and near \$70 during the second quarter.

The retail beef price for August was \$2.26 per pound, down from \$2.31 in July. At the same time, the 8-market average steer price dropped to \$52.79 per cwt from \$53.44 in July, a 1-percent decline. Therefore, the farm-to-retail price spread narrowed to \$1.14, from \$1.17 in July. A further narrowing of the spread is expected this fall as Choice steer prices strengthen from decreased beef supplies. [John Nalivka (202) 786-1830]

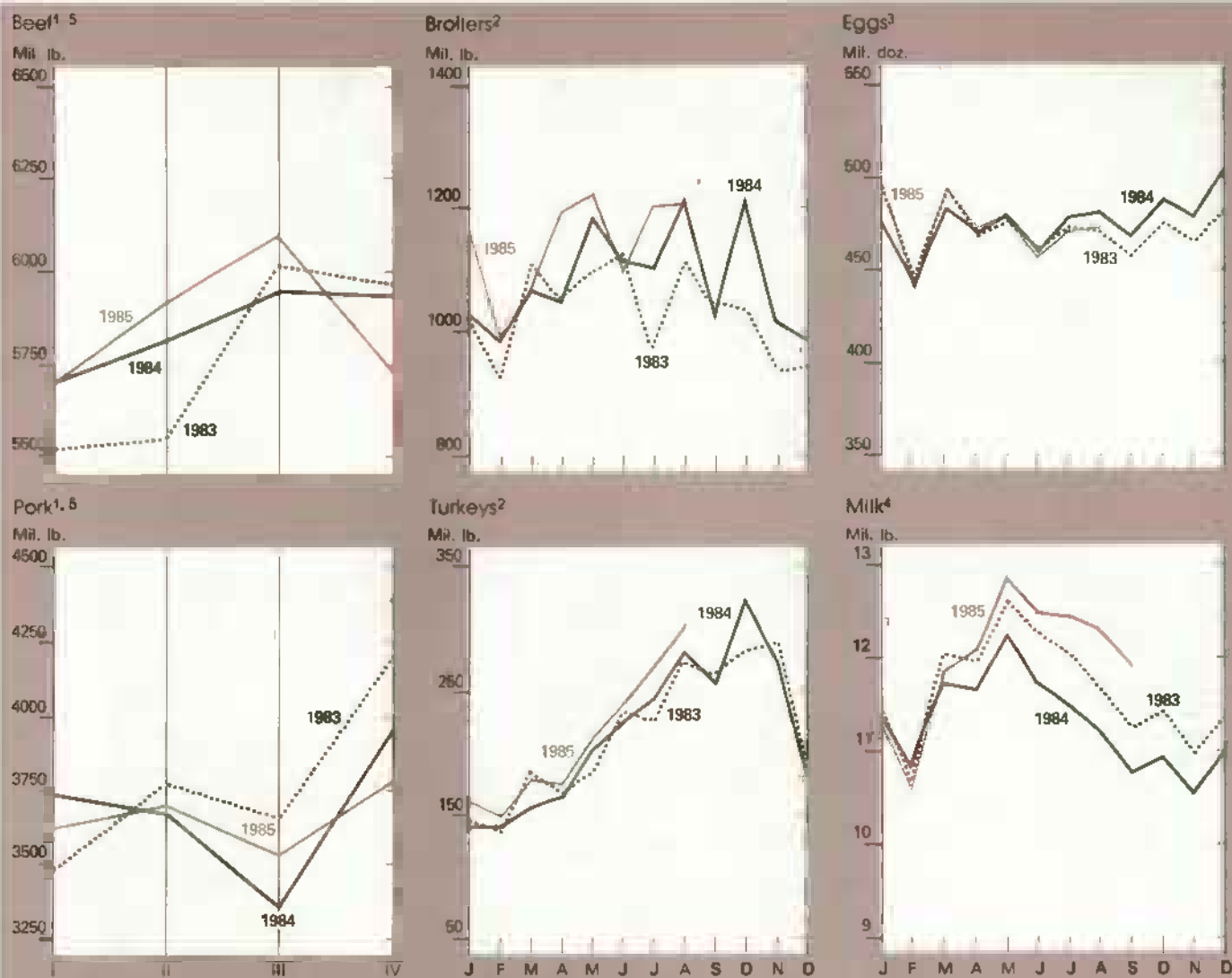
### • Hogs

The September *Hogs and Pigs* report indicates that, as they planned, producers continued to breed fewer sows than a year earlier. However, the number of pigs per litter continued to increase. Records for pigs per litter have been established each quarter this year. As a result, despite the decline in the number of sows farrowing, the 1985 pig crop for the first 3 quarters in the 10 quarterly reporting States was about the same as last year.

The inventory continued to slip from a year earlier, pointing towards further declines in pork production in the coming months. Hog producers as of September 1 reported that they intend to have fewer sows farrow through February than a year earlier.

Producers indicated intentions of having 2.27 million sows farrow during September-November, down 2 percent from last year, but a slightly smaller drop than the 4-percent decline indicated last June. During December 1985-February 1986, producers intend to have 1.93 million sows farrow, down fractionally from last year. The September-November pig crop may be larger than suggested by the September changes in farrowing intentions, as further year-over-year increases in pigs per litter are likely.

The September 1 inventory of all hogs and pigs in the 10 quarterly reporting States totaled 41.8 million head, 3 percent below last year. The breeding



<sup>1</sup>Commercial production. <sup>2</sup>Federally inspected slaughter, certified. <sup>3</sup>Farm production. <sup>4</sup>Total production. <sup>5</sup>Forecast for latest quarters.

herd, at 5.38 million head, was also down 3 percent—the lowest breeding inventory for this date since 1975. The market hog inventory totaled 36.4 million head, 3 percent below a year earlier.

Preliminary data indicate that commercial pork production this summer totaled 3,565 million pounds, up 6 percent from a year before. Hogs slaughtered totaled 20.6 million head, also up 6 percent. The average dressed weight rose to 173 pounds, up a pound from last year.

Fourth-quarter hog slaughter is drawn largely from the September 1 inventory of market hogs weighing 60 to 179 pounds, which was down 5 percent. Thus, fourth-quarter slaughter is projected at about 21.7 million head, down 5 percent from a year ago.

Last fall, producers were reducing the herd. This fall, depending on the price of corn and prospective returns, they may either hold the breeding inventory steady or expand it slightly. The average dressed weight is expected to be

about the same as last year—174 pounds. Commercial pork production is expected to total 3,775 million pounds for the fourth quarter, down 5 percent from a year earlier.

Hog slaughter in first-quarter 1986 is projected to be down about 1 percent from a year earlier. The September inventory of market hogs under 60 pounds, from which first-quarter

## WORLD LIVESTOCK OUTLOOK

### *U.S. Imports of Beef Are Up Sharply This Year*

Beef and veal production in the major producing countries in 1985 is likely to reach 42 million metric tons, a 1-percent increase from 1984. Output in the major foreign exporters will likely grow 2 percent, mainly because of gains in Argentina, Brazil, Australia, and New Zealand.

Output in the European Community will decline slightly in 1985, but EC stocks, forecast to increase to 1 million metric tons by the end of the year, are hanging over the world export market. While overall beef output is expected to increase in 1985, available supplies in countries that ship to the United States are showing the greatest gain, up 5 percent.

In 1986, world production is forecast to decline to 41 million tons, as totals in the United States and the EC continue to fall. The major foreign exporters' output will likely dip 2 percent, but little change is expected in the output of those exporters who ship to the United States.

The majority of the United States' imports of beef and veal in 1984 came from Australia (40 percent), New Zealand (23), Canada (11), and Brazil and Argentina (16). U.S. imports of beef during January-August 1985 reached 1,380 million pounds, carcass weight, up 16 percent from a year earlier. Most of this increase was from New Zealand and Australia, up 32 and 12 percent, respectively. Dryness in the eastern part of New Zealand has increased slaughter, and meat production is expected to be up 11 percent in 1985. Output should decline next year.

Dryness is also affecting Australian output, up 7 percent in 1985 and forecast to increase another 3 percent next year. Both Australia and New Zealand began herd rebuilding last year, and inventories are increasing. Exports from these countries are expected to slow in the coming months.

The EC's large dairy cow slaughter has increased beef production there, and stocks are huge. Although the EC has promised not to enter into Pacific Basin countries, which are traditional markets for Australia and New Zealand, the fear of displacement by subsidized EC beef still lingers.

U.S. beef exports, although small, are of high value. Beef exports during January-August were 216 million pounds, about the same as last year. About 70 percent of U.S. beef exports are destined for Japan. Other major markets include Canada and the Caribbean. U.S. beef is served in many foreign hotels and restaurants, and growth in this segment depends on tourist and business travelers.

While negotiations with Japan have yielded an increase in Japan's high-quality beef import quota, which is almost entirely filled by U.S. exports, total U.S. beef exports to Japan through the first 8 months of 1985 have risen only about 3 percent from last year. Increased U.S. demand for skirt meat (brisket, flank, and similar cuts) for use in Mexican-style dishes may be limiting this once-popular import of Japan. Also, during the end of 1984 and the first part of 1985, the dollar strengthened against the Japanese yen, making U.S. exports more expensive.

World pork production is expected to reach 53 million metric tons in 1985, 2 percent above last year. Most of the increase will be in China and the EC, as output in the USSR drops. While output in the major exporters is likely to increase 4 percent in 1985, major suppliers to the United States should show growth of more than 2 percent.

For 1986, world pork output should continue to gain, although at a slower rate. Growth in the major exporters is forecast to be 1 percent, but the output of those countries accounting for a large part of the U.S. imports should register another 2-percent gain. Pork trade is rising in 1985, mainly because of larger shipments from Denmark,

Canada, and Poland. Additional production growth is expected next year.

Pork imports into the United States are likely to reach 1,100 million pounds this year, a 15-percent increase. In 1986, imports may fall moderately. U.S. pork imports were 777 million pounds during January-August 1985, 23 percent above last year. The largest suppliers are Denmark and Canada (307 and 280 million pounds, carcass weight, respectively). These two countries accounted for three-fourths of U.S. imports during the first 8 months of 1985.

In January-August 1985, imports from Denmark increased 41 percent, and from Canada 16 percent from a year ago. Output in Denmark has been growing, as has output in the EC as a whole, because of a more profitable hog-feed price ratio.

Canadian pork output is also increasing. The imposition of countervailing duties against Canadian live hog imports into the United States is signaling increased Canadian slaughter and exports as pork rather than as live hogs.

This year's U.S. pork exports, at 120 million pounds (54,000 tons), are forecast around a fourth below last year. Exports in 1986 are likely to continue to decline, by about 5 to 10 percent. U.S. pork exports during January-August 1985, at 91 million pounds, were 21 percent below a year earlier. For all of 1984, U.S. pork exports were 164 million pounds, going mainly to Japan (37 percent), Mexico (21), Canada (10), the EC (14), and the Caribbean (9).

Export demand for U.S. pork has been hurt by rising foreign production. Not only is the volume of Japanese and Canadian production up and imports down, but there has been increased competition for these markets. U.S. exports of pork to Japan during January-August were down 69 percent. Output has risen in Taiwan and Denmark and they have taken over the major part of the Japanese market. (Linda M. Bailey (202) 786-1691)



slaughter is drawn, was down 2 percent from a year earlier. The June-August pig crop, which is normally slaughtered in the first quarter, was down 1 percent.

Because of relatively low-priced feed, first-quarter weights are expected to average about the same as the 173 pounds in first-quarter 1985. So, commercial production may total 3,600 million pounds, about the same as last year.

Lower year-over-year red meat production will help strengthen hog prices this fall and winter, but higher poultry production will exert the opposite pressure. Fourth-quarter prices are expected to average \$40 to \$44 per cwt. Although prices may be in the low \$40's during the first half of the quarter, they are expected to strengthen in December to the middle to upper \$40's.

First-quarter 1986 imports of live hogs and pork products will likely moderate, increasing hog prices. Prices are expected to average \$46 to \$50 in the first quarter and \$44 to \$48 in the second. [Leland Southard (202) 786-1830]

#### • Broilers

Broiler producers appear poised to take advantage of the bumper feed grain crops by increasing the number of broilers raised. In the first quarter of 1986, the cumulative hatchery supply flock will be 2 percent greater than in 1985. In addition, to increase supplies of hatching eggs, producers could hold the hens longer than the 7 months used in these calculations. With prospects good because of relatively stable feed costs, broiler production will likely increase during the remainder of 1985 and through 1986.

Broiler meat output from federally inspected plants during January-August was up 5 percent from last year. The increase was due to 4 percent more birds and 1 percent heavier birds.

Based on slaughter reported thus far, output in the third quarter may have risen 4 percent from last year.

Producers have increased the number of chicks placed for fourth-quarter slaughter. Based on placements to date, output may be 3 to 5 percent above 1984's 3,227 million pounds. With red meat production likely down in 1986, plus favorable feed supplies, broiler production next year may be up 4 to 6 percent from the expected 1985 production.

September prices for a composite of whole birds in the 12 cities averaged 52 cents per pound, down from 54 last year. Prices may slip during the fourth quarter as demand declines seasonally and output rises from last year. Prices in the 12 cities may average 47 to 51 cents, down slightly from the third quarter and near last year's 50 cents. In spite of increased output, broiler prices in 1986 are expected to remain near 1985, as supplies of competing meats fall. [Allen Baker (202) 786-1830]

#### • Turkey

Turkey production is continuing higher in 1985. Production in third-quarter 1985 was likely up 7 percent from 1984. With the increase in poults placed late in the hatching year, output in the fourth quarter may be up 6 percent from 1984. If prospects continue favorable, turkey producers in 1986 will likely increase output 5 to 7 percent from the expected 1985 level.

Output from federally inspected plants from January through August totaled 1,681 million pounds, up 9 percent from 1984. The number of birds was up 7 percent, and weights were up 2. Strong demand by retailers has likely encouraged producers to slaughter more consumer-sized hens and toms rather than raising them to the higher weights preferred by the processing market. Although statistics on the proportion of whole birds are lacking, the poundage of turkey cut up thus far in 1985 is 18 percent below the same period in 1984. The poundage of whole-carcase turkey further processed is up 1 percent from last year.

Cold storage statistics also imply that there is more whole turkey this year and that more has been stored for fourth-quarter consumption. Stocks of frozen turkey on September 1 were up 17 percent from 1984's low 331 million pounds. Stocks of whole turkey totaled 302 million pounds, up 44 million pounds or 17 percent from 1984.

Movement of turkey in the fourth quarter will probably bring stocks back to normal working levels, but not as low as last year's 125 million pounds. However, if consumers do not view fourth-quarter "specials" as special and buy only sparingly, ending stocks could be high and pressure prices in first-half 1986.

Turkey prices have been strong as retailers have begun purchasing supplies. Prices of 8- to 16-pound commodity packed hen turkeys in the Eastern region during the third quarter averaged 78 cents per pound, up from 72 last year. During the fourth quarter, prices may average 78 to 82 cents, down from the record 90 cents last year. With increased output in 1986, prices may average below 1985. [Allen Baker (202) 786-1830]

#### • Eggs

Wholesale prices for Grade A large eggs in New York strengthened seasonally in September and averaged 73.5 cents per dozen, up from 70 cents last year. With the weak prices early in the quarter, prices for the third quarter as a whole averaged 68 cents, down from 70 last year. During the fourth quarter, if producers continue to reduce supplies, prices may average 1 to 5 cents above the 67-cent average last year. In 1986, prices in New York are expected to average 67 to 73 cents, up from 1985's 64 to 66.

Egg production during August was 1 percent below 1984's 480 million dozen. The number of layers was down 1 percent and the rate of lay was unchanged. On September 1, the number

of layers was also down 1 percent, suggesting that production will continue below last year. In spite of a sharp reduction in hen slaughter, the laying flock is not expected to regain last year's size, because fewer replacement pullets are entering this year.

The price-cost squeeze in 1985 has made producers cut back their orders for replacement pullets. Demand for replacements will likely stay weak in early 1986 and, without an economic incentive, during the rest of the year as well. The laying flock is expected to be below 1985 during much of 1986, even if producers force-molt a larger percentage of the flock. With prices near to slightly above breakeven in 1986, producers will likely keep output even to 2 percent below 1985. [Allen Baker (202) 786-1830]

#### • Dairy

Government dairy purchases are running sharply higher than a year ago, because milk production and marketings have increased much more than the commercial disappearance of milk and dairy products. During January-September, USDA net removals (delivery basis) were equal to about 11 billion pounds of milk (milkfat basis), up 2.9 billion or 36 percent from the same period in 1984.

For calendar 1985, removals are expected to be about 13 billion pounds, compared with 8.6 billion last year. Removals in 1986 are projected to be 10 to 17 billion pounds, assuming no diversion program and a support price of \$11.60 per cwt.

With low feed prices and ample replacements, the number of milk cows on farms has increased since the end of the diversion program. During September, there were 11.15 million cows, 3 percent more than a year earlier and the largest number in over a decade. For 1985, the average number of cows is likely to be 1.7 percent above last year.

Compared with a year earlier, milk per cow has also recovered since the end of the diversion program. Output per cow during September was 7.6 percent above a year earlier. Some additional gains are expected, and output per cow for the whole year is anticipated to

average 3.7 percent above 1984. Calendar 1985 milk production will be record large, running 5 to 6 percent greater than in 1984.

Calendar 1986 milk production is projected to be 1 to 4 percent larger than 1985. Better management, new technology, and genetic advancement will add upward pressure on yields, while the herd size remains about unchanged. However, the final outlook for dairy and other commodities depends on new farm legislation.

Preliminary data for January-August 1985 indicate commercial disappearance of all milk and dairy products (milkfat basis) was up about 2 percent (daily average basis) from a year ago. First-quarter disappearance was up 1.8 percent, second-quarter use was about unchanged, and the July-August figure was up 4.8 percent. For all of 1985, commercial sales are expected to be about 2.2 percent higher than last year. For 1986, they are projected to be unchanged to 3 percent larger.

Prices received by farmers for all milk during September averaged \$12.20 per cwt, \$1.40 (10 percent) below a year earlier. Prices are expected to increase seasonally but fall further below a year earlier because of surplus supplies and the lower support price.

For 1985 as a whole, the all-milk price may average 65 to 75 cents lower than 1984's \$13.45 per cwt. Differences in assessments indicate the effective price for 1985 will be 35 to 45 cents lower than for 1984, which was 20 cents less than for 1983. In 1986, the all-milk price may be unchanged to 60 cents lower than in 1985.

Under provisions of the Dairy and Tobacco Adjustment Act of 1983, on April 1, 1985, USDA reduced the support price of manufacturing grade milk to \$12.10 per cwt for milk of average fat test (\$11.81 for milk testing 3.5 percent fat). USDA again reduced the support price on July 1, to \$11.60 per cwt for average fat test (\$11.31 for 3.5 percent fat). Both 50-cent reductions were reflected in reduced purchase prices.

With lower purchase prices, the wholesale spot prices for butter, cheese, and nonfat dry milk have fallen this summer. With the support level held at \$11.60 per cwt on October 1, the more-than-ample supplies of butter, cheese, and nonfat dry milk will likely preclude any upward pressure on wholesale spot prices for these items.

The Bureau of Labor Statistics retail dairy price index this year is expected to average 1 to 2 percent higher than last year. In August, the index stood 1.9 percent above a year earlier, but not all of the wholesale price declines since July have reached the retail counter. Thus, retail prices may fall later this year. [Clifford Carman (202) 786-1830]

#### CROP HIGHLIGHTS

##### • Wheat

With virtually all of 1985's wheat crop in the bin, the final tally is the smallest in 5 years. Total harvest was 2.4 billion bushels: 1.84 billion of winter wheat, down 11 percent from a year ago, and 580 million of spring wheat, up 8 percent.

Normally, a smaller supply would lead to stronger prices during the next marketing year. But this has not occurred, primarily because of the slowest early-season export demand in over a dozen years. This season's shipping pace is down more than 300 million bushels, to only half of the record June-September 1984 export loadings. As a result, farm wheat prices have averaged below \$3 a bushel throughout the harvest, dropping below \$2.90 for the first time since 1978.

Eligible wheat producers are making heavy use of the loan program. In fact, by October 9, over 600 million bushels of the 1985 crop were priced at the \$3.30-a-bushel loan rate. Continued record loan placements now estimated at over 800 million bushels will likely reduce free stocks enough to stabilize prices.

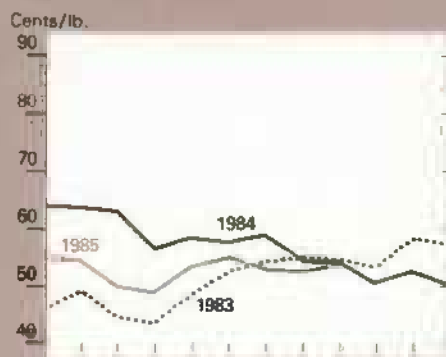
World wheat production in 1985/86 is forecast at 505 million tons, down 9 million from last year. Canadian supplies of high-protein spring and Durum will be tight this year, because cold,

# Commodity Market Prices: Monthly Update

Choice steers<sup>1</sup>



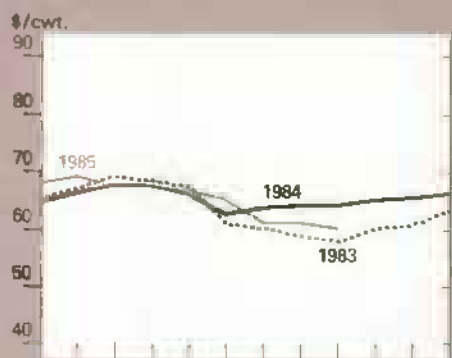
Brollers<sup>4</sup>



Corn<sup>6</sup>



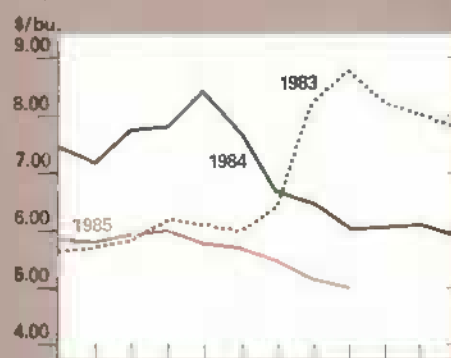
Choice feeder cattle<sup>2</sup>



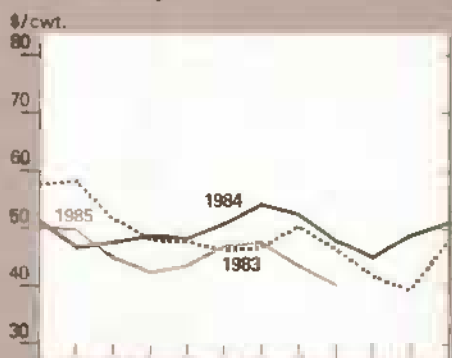
Eggs<sup>5</sup>



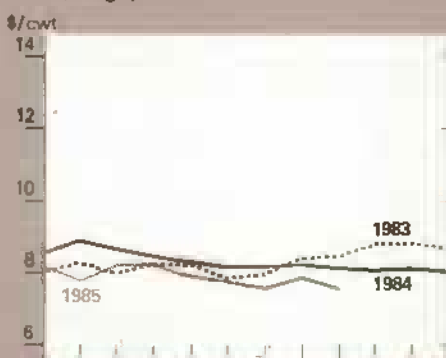
Soybeans<sup>7</sup>



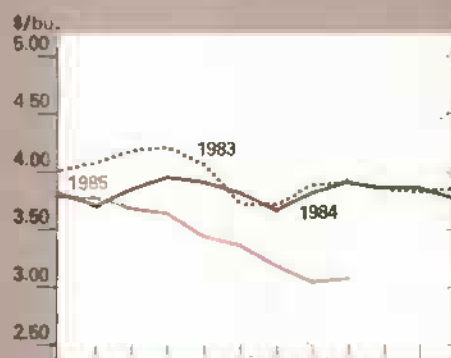
Barrows and gilts<sup>3</sup>



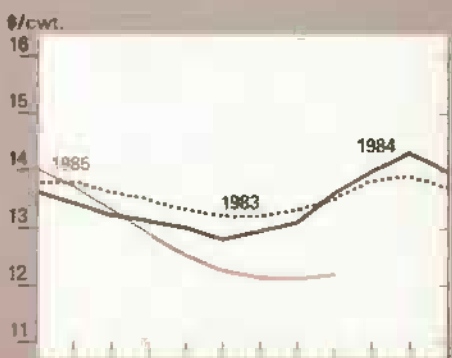
Rice (rough)



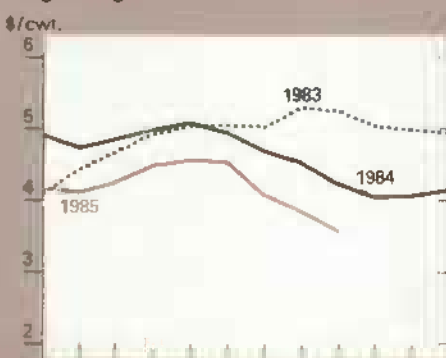
Wheat<sup>8</sup>



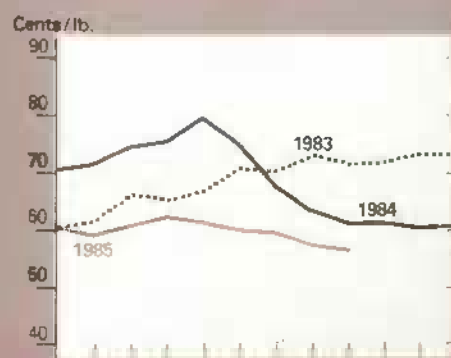
All milk



Sorghum grain



Cotton<sup>9</sup>



<sup>1</sup> Omaha. <sup>2</sup> 600-700 lbs., Kansas City. <sup>3</sup> 7 markets.

<sup>4</sup> Wholesale, New York. <sup>5</sup> Grade A Large, New York.

<sup>6</sup> No. 2 Yellow, Chicago. <sup>7</sup> No. 1 Yellow, Chicago.

<sup>8</sup> No. 1 HRW, Kansas City.

<sup>9</sup> Average spot market. SLM 1-16."



wet weather has lowered wheat quality and delayed harvesting. The Canadian Wheat Board recently decided to limit sales of Hard Red Spring wheat to its traditional customers and to customers that have long-term trade agreements with Canada. The Canadian shortage of high-protein wheat may strengthen prices and improve export prospects for U.S. Hard Red Spring as the year progresses.

Soviet output is still forecast at 83 million tons, up 10 million from last year. After importing 28 million tons of wheat last year, the Soviets are expected to import only 17 million in 1985/86. Total Soviet purchases so far this season are down sharply from the 15 million purchased during the same period last year. While the Soviets have purchased about 4 million tons from Canada and 1 million from Argentina, they have not made any major purchases from the United States or Australia.

Global wheat trade in 1985/86 is expected to reach only 90 million tons, down 17 million from last year. Brazilian import demand, forecast at 3.5 million tons, may be the lowest in a decade because of anticipated record yields. Also, China's wheat imports are expected to reach only 6.5 million tons, less than half of its yearly import needs in the early 1980's.

The United States may bear much of the brunt of reduced world wheat trade; most major competitors continue to offer lower prices. U.S. exports during the summer averaged about 2 million tons per month, the slowest for the season since 1971/72. The 1985/86 U.S. export forecast was reduced by nearly 3 million tons in October to 28.6 million, down nearly 10 million tons from last year. [Allen Schienbein (202) 786-1840 and Scott Reynolds (202) 786-1691]

#### • Rice

Heavy participation in the 1985 rice program substantially reduced acreage for 1985/86. Harvested area is estimated at only 2.43 million acres, and national average yields likely will reach a record 5,426 pounds per acre, primarily because of greater use of high-yielding varieties. As a result,

this year's harvest is expected to fall only 4 percent from last year to 132 million cwt.

The 1985/86 season began with a carry-in of 65 million cwt. Total rice supplies, including imports, are estimated at almost 199 million cwt, about 13 million more than in 1984/85. Long grain rice is expected to comprise close to 70 percent of this season's supply, compared with 62 percent a year ago and 53 percent 2 years ago. Long grain output has increased because of improvements in long grain varieties, lack of commercial export markets for medium grain, and a support price that favors long grain production.

Continued weak demand will cause rice stocks to build further in 1985/86. Domestic use is forecast at 54 million cwt and exports at 57 million, compared with 52 and 62 million, respectively, a year earlier. With a slight decline expected in total use, ending stocks next July 31 are estimated at 82 million cwt, up 26 percent from a year earlier. Long grain stocks may comprise 73 percent of the 1985/86 carryout, up from 35 percent just 2 years ago.

Season average farm prices are forecast to range from \$7.75 to \$8.75 per cwt. With long grain prices currently below the loan rate, large forfeitures to the Commodity Credit Corporation are expected. The CCC inventory is forecast to approach 66 million cwt next August 1, compared with 44 million this year and 25 million in 1984.

World rice production in 1985/86 is forecast at 317 million tons (milled basis), down 2 million from 1984/85. The forecast was raised over 1 million tons in October largely because of a revision in the expected output in Vietnam. Good weather throughout Asia, especially in Thailand and India, has confirmed expectations of bountiful harvests.

Global rice trade in calendar 1985 may total 11.6 million tons, down 1 million from 1984. Large supplies in some former importers, such as India, Indonesia, and Korea, coupled with limited foreign currency reserves in many developing nations will likely keep world trade at current levels through 1986.

Indonesia recently reported selling an additional 100,000 tons to the Philippines for October delivery. The Philippines had run rice stocks down to less than a 2-week supply and has experienced shipping delays in the recent purchase of U.S. rice. China's State Statistical Bureau reported that China's rice exports for the first half of 1985 totaled more than 450,000 tons. This strong export performance promises to maintain China's position as the world's third-largest rice exporter—behind Thailand and the United States—for the second consecutive year.

U.S. rice exports in 1985 are expected to equal 1.9 million tons, down from 2.1 million in 1984. Exports from January through August reached 1.23 million tons, and sizable shipments to Iraq are anticipated during the autumn. U.S. rice exports in 1986 are forecast at 1.8 million tons, reflecting the probable continuation of the 4-year decline in commercial sales. [Janet Livezey (202) 786-1840 and Scott Reynolds (202) 786-1691]

#### • Feed Grains

Corn growing conditions this year were the best ever recorded. Yields are expected to average 115.1 bushels per acre, 1.9 above the 1982 record of 113.2. Not only are yields enormous, but farmers increased the amount of acreage planted from last year in spite of severe financial stress, limping exports, and the lowest planting-season farm prices since 1981.

With larger plantings, intended area harvested for grain is 74.8 million acres. Large plantings usually drive down average yields because the extra plantings normally go on poorer land. This phenomenon did not hold back the 1985 corn yield, however, after the near-perfect early planting season.

Cool weather over the eastern two-thirds of the country retarded early harvesting. In the 17 most important corn-producing States, 25 percent of



## COMMODITY SPOTLIGHT

### Can We Feed Our Way Out of the Corn Surplus?

Exports of corn for 1985/86 are forecast at 1.625 million bushels, a decline of about 225 million from 1984/85's estimated exports. Is it possible that feed use by the livestock and poultry industry could increase sufficiently to offset this decline in exports?

In mid-September, the average price received by farmers for corn was \$2.31 a bushel, 20 percent below the farm price of \$2.90 a year ago. The lower price of corn could raise feed use in two ways. First, it could increase net returns to livestock producers and stimulate an expansion in livestock numbers. Second, lower feed prices make it feasible for livestock producers to incur the less efficient feed conversion rates that are encountered by feeding animals to heavier weights. But, will corn prices stay lower in 1985/86 than in 1984/85?

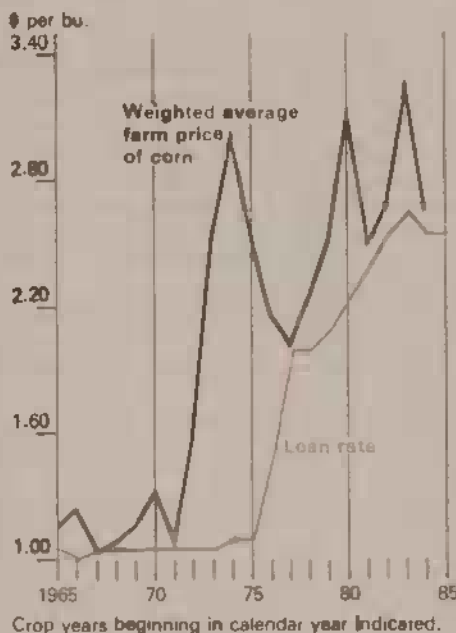
The average price received by farmers was \$2.67 a bushel last season, and it averaged \$2.59 a bushel during harvest. The farmers in compliance with the 1984 feed grain program (53 percent of the corn base) placed over a billion bushels of corn under loan from October through January. This tightened free supplies and boosted the farm price, which rose from \$2.56 in December to a peak of \$2.70 in April.

This year, 71 percent of the corn base is enrolled in the feed grain program. With the mid-September price significantly below the loan rate of \$2.55, it appears likely that loan placements will exceed last year by a large margin. With loan placements likely to range between 2.5 and 3.0 billion bushels, free stocks will tighten enough to raise corn prices to or above the loan redemption value later in the marketing year. In addition, uncertainty about the 1986 crop likely will hold prices above the loan rate at least until late July or early August.

Consequently, under the provisions of the present farm program, it appears that the farm price could average at or near the loan rate of \$2.55 a bushel for 1985/86. Even though the price was about 20 percent under a year earlier at the beginning of the crop year, the crop year average should be closer.

Over 94 percent of the corn fed is used in the production of pork, beef, milk,

### Loan Rate Acts as Floor for Corn Prices



broilers, and eggs. What are the possibilities that lower corn prices will cause an expansion in these industries?

Cattlemen have been reducing beef cow numbers since 1981 and the January 1 number of beef cows that had calved was the lowest since 1968. The beef cow inventory is expected to continue to decline during 1986 because fewer heifers are being added to the breeding herd. Returns to cattlemen were negative in 1984 and appear to be negative again this year. Thus, there seems little hope that expansion of the beef cattle industry will add to corn use in 1985/86.

The situation in hog production is somewhat similar. Hog producers also have been decreasing output. The breeding herd on September 1 in the 10 quarterly reporting States was the lowest for that date since 1975. Moreover, producers in these States report intentions to have fewer sows farrow during September-February than they did a year earlier. Consequently, the earliest that farrowings could increase during 1985/86 would be March-May, and this would not affect feed use until the summer.

Low hog prices have prevented producers from reaping the benefits of low corn prices. The average price re-

ceived for barrows and gilts declined to \$39.60 per cwt in mid-September, 19 percent below a year earlier. But feeding costs this year will also be reduced by lower soybean meal prices. Thus, the ratio of feed costs to hog prices this fall might encourage producers to keep average sale weights high.

Hog prices are expected to improve next spring. But barrows and gilts have already been marketed at heavy weights this past spring and early summer, so large weight increases are not likely. Thus, total feed use by hogs may be unchanged for the year.

Net returns to egg producers were disappointing during the 1984/85 corn crop year. Fewer replacement pullets have been added this year, so the laying flock during 1985/86 is expected to be down from last year. Consequently, egg production is likely to use less feed during 1985/86.

Broiler production for 1985/86 is forecast to be up 4 to 6 percent, mainly from more birds raised. The average liveweight of broilers slaughtered in 1984/85 was record high and is not expected to be exceeded this year.

The dairy industry may use somewhat more feed than last year, largely because of an increase in the number of dairy cows and the end of the dairy diversion program. One technique used to reduce milk output under the diversion was to feed less concentrates per cow. With the diversion program now ended, feeding rates have been normal or above since late winter.

Part of the dairy outcome will depend on the final provisions of the new dairy program. If the new program resembles the present one, the dairy industry will likely use 3 to 5 percent more feed than in 1984/85.

Of the five major categories of livestock production that account for over 94 percent of total corn use, two categories hold promise of increased use: broilers and milk. Increased use in pork is a possibility by yearend. Beef and egg production appear likely to use slightly less feed in 1985/86. Weighting each category by its relative importance in total corn use results in an estimated increase in total corn use of 2 to 3 percent. This is around 100 million bushels—almost half the decline expected in exports. [Larry Van Meir (202) 786-1840]

the corn crop was harvested as of October 13, about the same as a year earlier but 10 percentage points below recent years' average. Even so, 93 million bushels of new-crop corn had already entered the Government loan program as of October 9.

Farmers who participated in the 1985 feed grains program are eligible for a loan of \$2.55 per bushel of corn, on average. If cash prices stay below the loan rate, producers will not have sufficient incentive to redeem the non-recourse loans.

This year, with 71 percent of the acreage base in the program, 5 to 6 billion bushels of corn may be eligible for CCC loans and eventual forfeiture to the Government. Thus, the potential for the free supply to tighten up this year is fairly substantial, even in the face of a record crop and near-record total stocks. The extent of CCC loan placements and forfeiture will determine whether farm prices will be supported by loan rates or remain below them. The 1985 corn farm price is expected to average \$2.35 to \$2.55 per bushel, compared with \$2.65 in 1984.

Exports of corn are likely to decline in 1985/86 for the sixth straight year, falling from a peak of 2.4 billion bushels in 1978/79 to 1.6 billion, the lowest since 1973/74. Carryout is expected to reach 2.85 billion bushels, 40 percent of use. This carryout would be the highest since 1982/83, when carryout was 43 percent of use and the PIK program was put in place.

World coarse grain production for 1985/86 continues to show significant gains over last year's record, although weather difficulties in some countries at harvest time have somewhat reduced totals. Global outturn this year is forecast at a record 841 million metric tons, an increase of over 34 million from a year ago, most of it in the United States.

Late-season bad weather has led to a slight deterioration in coarse grain crops in a number of countries. In Canada, the impact of weather on yields is not yet certain, but scattered

rains have led to significant quality problems, including spoiling and sprouting. Recent snow has further hampered harvesting.

Despite reduced area and reports of drought and severe flooding in both the north and northeastern provinces, China's coarse grain production is forecast at 88 million tons—short of last year's record but still quite large. Soviet coarse grain production remains estimated at 95 million tons, 12 percent above the 1980-84 average.

The estimate of 1984/85 global coarse grain trade (excluding intra-EC trade) was revised downward slightly in October as anticipated Argentine corn sales failed to materialize by the end of the trade year. For 1985/86, world trade is forecast at 107.7 million tons, principally because of a 10.5-million-ton year-to-year drop in Soviet imports. U.S. corn sales, forecast at only 41.3 million tons, are expected to be off from last year by almost 6 million tons (about 12 percent)—falling to the lowest total since 1974/75. [David Hull (202) 786-1840 and James Cole (202) 786-1691]

#### • Oilseeds

Soybean meal prices continued to show signs of strengthening in September. Decatur prices (44 percent protein) averaged \$131 a ton for the month, compared with \$122 in August. Although an improvement, these prices are low compared with recent years.

The soybean oil price slide that began in July has slowed. Prices ranged between 21 and 24 cents a pound (f.o.b. plant, Illinois) during September. Soybeans (Central Illinois) traded at or below the loan rate (\$5.02 a bushel) through most of September.

The major factor dampening prices is the large prospective 1985 crop; USDA estimates it at 2.11 billion bushels. This production has been topped only twice—1979 and 1982. In those years, planted area was near 70 million acres. This year's production is the result of

a record estimated yield of 33.9 bushels per acre on only 63.2 million planted acres.

Domestic soybean meal disappearance for October 1984-July 1985 was 12 percent ahead of a year earlier. However, soybean meal stocks were a record 558,000 tons at the end of July.

Continued profitability in the broiler industry augurs well for meal demand in that sector. But, the hog sector continues to contract, because of low prices and tight credit in the Midwest. Total domestic disappearance is expected to climb 3 percent in 1985/86, to 20.2 million tons. Prices will likely range from \$110 to \$140 per ton for the season.

U.S. and world vegetable oil prices are reflecting improved world supplies of non-soy vegetable oils. Furthermore, the prospect of improved soybean meal demand suggests greater soybean oil production. Domestic disappearance of soybean oil is expected to rise only 1 percent, primarily because of ample supplies of alternatives. Prices are expected to run sharply below 1984/85 and could range 22 to 26 cents a pound for the season.

Crush in 1985/86 will likely rise to 1,065 million bushels, from 1984/85's estimated 1,030 million. Improved foreign soybean meal demand prospects, combined with weaker soybean oil prices, could shift interest to meal exports at the expense of bean exports. Crush margins will probably not improve in line with stronger soybean product demand because low prices could force processors to compete with the Government loan program for soybeans. The season-average soybean price is expected to range from \$5.05 to \$5.35 a bushel.

For the international oilseeds outlook, see the World Agriculture and Trade section. [Roger Hoskin (202) 786-1840]

### • Cotton

Only time will tell whether the U.S. cotton industry has turned the corner in its long competition with manmade fibers and imported textiles. For the present, though, cotton is looking stronger. Mill use rose from a seasonally adjusted annual rate of 5.2 million bales in November 1984 to 6.1 million in August. The rebound occurred because consumption of U.S.-made textiles rose and because cotton's share of U.S. mill use gained.

The economy continues to generate strong retail sales, and neither textile mill inventories nor retail store inventories are excessive. Furthermore, a fashion trend towards denim and other cotton products continues, and textile mill executives—keeping a close eye on the farm bill debate—perceive that cotton will likely be cheaper than polyester for several years. The result is a shift in blend levels towards cotton.

Cotton mill use totaled 5.5 million bales during 1984/85, and is forecast to climb to 5.7 million during 1985/86.

U.S. cotton exports during 1985/86 could fall over 40 percent, to 3.5 million bales. U.S. cotton prices in Northern Europe average about 25 percent above prices of some of the major competitors' cotton. As a result, American exports could amount to only 5 percent of foreign consumption in 1985/86, compared with the 20-year average of 10 percent.

The potential for very high yields is putting estimates of the world 1985/86 cotton crop second only to last year's record. World output is projected to reach 81.2 million bales, with foreign production at 67.5 million. Significant gains are expected in Greece, Syria, and Egypt.

The greatest improvement, though, is estimated to be in the USSR. A 7-percent jump, to 12.5 million bales, is projected for the Soviets, primarily because of changes made last year in the

cotton procurement system. The new Soviet pricing policy puts a premium on the delivery of clean, high-grade cotton.

As a result, the ginning rate in Uzbekistan, the largest cotton-producing state, rose from 26 to 31 percent in 1984/85, and the percentage of high-grade cotton climbed substantially. In addition, fiber content actually increased, even though raw output in 1984/85 was less than in 1983/84. Good weather and strong incentives this year may lead to the highest lint outturn since 1981/82.

Foreign cotton consumption this season may reach 65.8 million bales, up from 63.4 million. The gain will not come from the traditional importing nations in East and Southeast Asia, but rather from cotton-rich countries such as Egypt, China, and the USSR. Major importers are taking a wait-and-see attitude towards forward purchases of raw cotton as mill use is expected to be static.

Mill use in Taiwan is expected to stay the same as last year or decline. Export sales of textile products have dropped sharply in recent months, raising inventories. These stocks will have to be drawn down before mills increase cotton consumption again.

Like Taiwan's, Hong Kong's export sales of textile products are being hurt by intense competition from neighboring Asian countries in the yarn and piece goods markets. Malaysia and Indonesia are also losing their ability to compete in export markets, as production costs remain relatively high. South Korea has experienced a decline in textile orders from a year earlier. Increased imports into South Korea of Chinese and Pakistani cotton yarns and fabrics will limit South Korea's raw cotton import demand. With

heavy textile stocks in South Korea, the outlook for a significant gain in cotton consumption there is not promising.

International cotton prices continue to fall with the impending harvest in the Northern Hemisphere and prospects of additional stocks. Prices forming the "A" Index are the lowest since 1975/76.

Foreign exports should reach a record-high 16.0 million bales this year, mainly because the U.S. export share is so low. The previous record, 15.9 million, was set in 1972. The only growth in mill use has been within major cotton-producing countries. The top seven cotton producers in 1984/85 have seen their share of total world consumption grow from 54 percent in 1977/78 to over 59 percent in 1985/86. With proportionally less cotton being consumed by importers, total trade has shown no clear trend in the last 8 years.

Foreign ending stocks are expected to jump 5 million bales from 1984/85. The entire gain can be attributed to the 28-percent rise in China's stocks. Excluding China, foreign stocks as a percentage of foreign consumption may stay low compared with the previous 10-year average. From 1975/76 to 1984/85, ending stocks averaged 36 percent of consumption, with 7 out of 10 years above 36 percent. This year's stock level may approach only 34 percent. [Terry Townsend (202) 786-1840 and Richard Cantor (202) 786-1691]

### • Tobacco

As of October 1, U.S. tobacco output was forecast at 1.53 billion pounds, down 11 percent from 1984 because of reduced acreage. Flue-cured growing conditions were not as good as a year earlier, so leaf quality declined. This decline, combined with large stocks, pushed prices at flue-cured auctions somewhat lower than last season.

The tobacco supply for 1985/86 is forecast to fall about 3 percent to 5.33 billion pounds, with flue-cured accounting for most of the decrease. Burley supplies are up. Total tobacco stocks going into the new marketing year



(July 1 for flue-cured and cigar-wrapper types, and October 1 for all other types) will likely be 3.8 billion pounds, about 1 percent higher than a year earlier.

Prospects for world tobacco use indicate a small increase in sales and use of cigarettes and unmanufactured tobacco. However, use of U.S. tobacco may decline from last year's 1.62 billion pounds. Exports may fall from last year's 541 million pounds (666 million, farm sales weight) to about 525 million. Lower prices will help sales, but the strong dollar, large world supplies, and anticipation of further reductions in U.S. support prices will hurt exports.

U.S. cigarette output this year is expected to slip from 1984's 668 billion pieces. Increased prices, health concerns, and smoking restrictions may cause cigarette consumption to fall about 1 percent, lowering the smoking rate per person 18 years and older from 1984's 3,461 cigarettes.

State estimates indicate that the 1985 flue-cured crop totaled 793 million pounds, down 8 percent from last year. Beginning stocks on July 1 were down 4 percent. The total supply is 2.87 billion pounds, about 5 percent below last year, but ample at about 3.1 years' use. During 1984/85, both exports and domestic use rose. Use this season may decline from last year's 935 million pounds, as both domestic use and exports slip. Carryover may decline another 5 or 6 percent.

By October 9, growers had sold over 90 percent of flue-cured marketings anticipated this season, with 17 percent of the volume going under loan. Sales through October 9 averaged \$ 1.71 a pound, about 5 percent below the previous year. Reduced prices, along with lower production, will cause cash receipts to fall significantly.

This year's burley crop is expected to fall 15 percent from 1984's large harvest. Ending stocks on September 30 were likely about 9 percent higher than last year. The 1985/86 supply will be up slightly from a year earlier, representing about 3.7 years' use and providing more than adequate stocks. Smaller crops are also forecast for Maryland, fire-cured, dark air-cured, and cigar types. [Verner N. Grise (202) 786-1840]

#### • Fruit

As of October 1, U.S. citrus production for 1985/86 was forecast at 11.2 million tons (excluding grapefruit from "other areas" in California), up 9 percent from last season's freeze-damaged crop. A sharply larger orange crop is chiefly responsible. Larger supplies are also indicated for Florida's temples, while smaller crops are likely for grapefruit, lemons, and tangelos. Tangerine production is unchanged.

The forecast for all Florida orange production is 132 million boxes, 27 percent above last season. At 49 million boxes, the California crop is 6 percent less than last season, as significantly reduced valencia production more than offset larger navel production. The forecast for the Arizona crop is 2.1 million boxes, 14 percent less than last season.

The Texas orange crop is expected to total 450,000 boxes, well below production levels prior to the December 1983 freeze. Last season, no commercial supplies were harvested in Texas, and the 1983/84 crop was reduced by the freeze to 2.51 million boxes.

The 1985/86 pack of frozen concentrated orange juice (FCOJ) is expected to exceed last season because of the larger Florida crop and higher juice yield. The first forecast of the upcoming season's juice yield is 1.42 gallons per box at 42 degrees Brix, compared with 1.38 last season. Thus, the larger pack combined with the prospective increased stocks going into 1985/86 will result in significantly larger domestic supplies in 1985/86 than in 1984/85.

Prices of FCOJ have been reduced recently because of slow movement and larger stocks. The prospective increased supplies are expected to weaken prices further. The increased supplies and slow movement of FCOJ and the sharply larger California navel orange crop are likely to exert some downward pressure on fresh orange prices this fall.

October 1 prospects for this season's U.S. grapefruit production (excluding California "other areas") indicate 51.3 million boxes, 1 percent less than last

season but 3 percent above the 1983/84 utilized crop. Florida's grapefruit production is forecast at 44 million boxes, the same as last season, but 8 percent above 1983/84. The Texas crop is forecast at 500,000 boxes, well below production levels prior to the December 1983 freeze.

California grapefruit production in the desert areas is estimated at 4 million boxes, up slightly from last season, while the Arizona crop is expected to be down 24 percent. Fresh-market demand for Florida grapefruit is likely to rise because only small supplies are available from Texas.

Movement of most processed grapefruit products has been strong and consequently, ending stocks are expected to be below last season. As a result, processor demand will be vigorous. The small crop and rising demand will keep grapefruit prices strong.

The Arizona-California lemon crop (tree crop available for harvest) totals 20.8 million boxes, 19 percent less than the crop harvested during 1984/85 and 2 percent below the 1983/84 utilized production. In California, the crop is expected to total 17.3 million boxes, 13 percent less than last season. A crop of 3.5 million boxes is estimated in Arizona, 42 percent below last season.

Early-season f.o.b. prices for fresh lemons have been well above a year ago. In late September, the f.o.b. price for fresh lemons was quoted at \$21.86 a carton, compared with \$13.46 a year ago. Prices will decline as the season progresses. But, in view of smaller supplies, the season average is expected to be well above last season's high. [Ben Huang (202) 786-1766]

#### • Vegetables

In the major vegetable-growing States, fall-quarter 1985's acreage of 7 major fresh-market vegetables for harvest—broccoli, carrots, cauliflower, celery, sweet corn, lettuce, and tomatoes—dropped 7 percent over last fall to 146,200 acres. Projected production for second-half 1985, based on the average yield for the last 3 years, is 83 million cwt, 4 percent below second-half last year and 2 percent below 1983. Therefore, 1985 production for these 7 vegetables is likely to be



around 153 million cwt, 5 percent below 1984 and fractionally below 1983.

Except for a 3-percent increase in carrot acreage, growers planted fewer acres than last year for all major vegetables. For example, California's broccoli and cauliflower areas are down 17 and 7 percent, respectively. Lettuce acreage dropped 7 percent, with reductions of 11 percent in California and 25 percent in Texas. Sweet corn area dropped 5 percent because of a 9-percent reduction in California and a 5-percent drop in Florida. Florida growers cut celery and tomato acreage by 11 and 2 percent, respectively.

The third-quarter average index of grower prices for fresh-market vegetables rose 10 percent over second quarter, as supplies fell 28 percent. The market's strength in third quarter was mainly due to higher July grower prices when California's heat reduced supplies. By August, prices fell 6 percent, as vegetables recovered from the heat. Though the first half of September, the grower price index for fresh-market vegetables was 110 (1977=100), 6 percent below August. It will likely turn up by the middle of fall quarter. [Shannon Reid Hamm (202) 786-1767]

#### • Sugar

On September 13, USDA announced that it would allow sugar imports of 1.85 million tons, raw value, for the 10 months beginning December 1, 1985. The import quota is comprised of a base quota of 1.72 million tons, prorated to individual countries, plus minimum shipments from small exporters, and an allowance for specialty sugars.

World sugar prices (f.o.b. Caribbean, Contract No. 11) continued to increase in September, averaging 5.16 cents a pound, up 18 percent from August and 24 percent from a year earlier. Prices strengthened partly because of the larger-than-anticipated U.S. quota for 1985/86. Even with an 86-percent increase in prices since June, however, world prices remain well below the previous 10-year average of 11.5 cents.

On October 1, CCC took possession of 303,700 tons of raw sugar forfeited by cane processors in Florida. CCC now has possession of 389,500 tons of sugar, raw value.

U.S. raw sugar prices, as measured by the nearby futures price, have fallen rapidly since the U.S. import quota for 1985/86 was announced. They averaged 20.12 cents before the quota announcement, and 19.05 after.

The price for sugar in August was 35.4 cents a pound, the same as May. Retail prices should remain stable or drop slightly in coming months, in response to falling domestic prices for raw sugar.

Shipments of high fructose corn syrup totaled 3.6 million tons, dry basis, for the first 8 months of 1985, up 23 percent from the same period a year earlier. [David Harvey (202) 786-1769]



## Recent Publications

### Recent Publications

USDA's Economic Research Service publishes a number of research reports, statistical supplements, handbooks, and other periodicals that may be of interest to *Agricultural Outlook* readers.

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Increased Foreign Investment in U.S.

Food Industries. AER-540. 17 pp.

September 1985. (Price \$1.00.)

Stock Number: 001-019-00407-0.

Agriculture's Links with U.S. and

World Economies. AIB-496. 49 pp.

September 1985. (Price \$1.50.)

Stock Number: 001-019-00409-6.

World Food Grain Trade, 1962-83:

Wheat, Rice, and Wheat Flour. SB-

734. 89 pp. October 1985. (Price

\$3.50.) Stock Number: 001-019-

00415-1.

Increasing World Grain Market Fluc-

tuations: Implications for U.S.

Agriculture. AER-541. 37 pp. Oc-

tober 1985. (Price \$1.75.) Stock

Number 001-019-00418-5.



## World Agriculture and Trade

### WORLD OILSEEDS OUTLOOK

The 1985/86 world outlook for oilseeds and products calls for large supplies, small gains in use, and big stocks, especially for U.S. soybeans. Since the United States is the world's largest soybean producer, it bears the greatest burden for supply and demand imbalances. Sluggish growth in world soybean and soybean meal demand in the past few years has significantly diminished U.S. soybean exports. Despite a modest recovery in U.S. exports forecast for 1985/86, U.S. stocks of soybeans will reach record levels, with season-average prices lingering near the loan rate, the lowest in nearly a decade.

The rapid expansion in foreign production of oilseeds, especially since 1980/81, has dramatically diminished U.S. soybeans' share of global output, consumption, and trade. In addition to

this rapid production growth for competing oilseeds, sluggish economies in foreign countries have slowed livestock gains and, thus, weakened soybean meal demand. The relatively larger gains in vegetable oil demand, compared with protein meal demand, temporarily strengthened prices, especially while supplies of palm and soybean oil were low.

### Production Gains Largest For Other Oilseeds

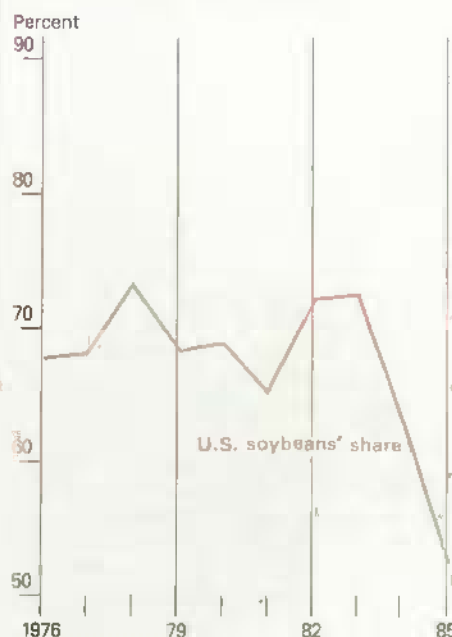
Since 1980/81, world oilseed production has grown nearly twice as fast as area has expanded. World oilseed yields have improved dramatically. But oilseed area has also been expanding since the late 1970's, when relative crop prices began to favor oilseeds over other crops. In Argentina, prices of oilseeds were more favorable than those of grains, particularly wheat, as the world wheat market became depressed. In the European Community, target prices were geared to promote rapeseed and sunflowerseed output more than other crops.

China's oilseed production expanded in recent years under Government policies favoring soybeans and other oilseeds. The most dramatic world gain in 1984/85 resulted from record cottonseed yields in China. The major foreign soybean exporters, Brazil and Argentina, have incorporated soybeans as a critical part of their agricultural and general economies. When prices are high, these countries tend to expand area. However, when prices fall sharply, as they did in late 1983/84 through 1984/85, area is generally insensitive to lower prices because few alternative crop choices exist.

For 1985/86, preliminary estimates indicate that lower prices will slow the growth in world oilseed area. Still, production is expected to rise another 4 percent, following a 13-percent rise in 1984/85. A large boost in U.S. soybean output is anticipated despite reduced area.

Also, big gains are expected for three other major oilseeds: sunflowerseed, rapeseed, and peanuts. Yields are

### U.S. Soybeans' Share of World Oilseeds Exports Has Plunged



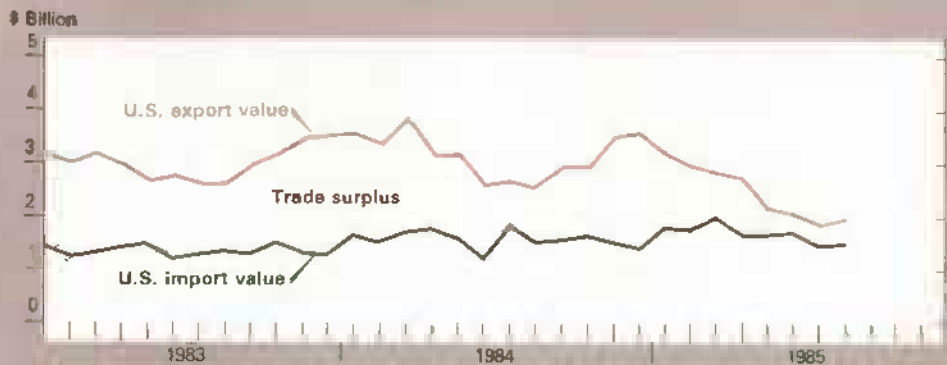
gaining for European rapeseed, and African peanuts will likely recover somewhat from several years of drought. The only sharp decline forecast is for cottonseed, based on lower area planted in China, the world's largest producer.

### Fluctuations Greatest for Soybean Meal

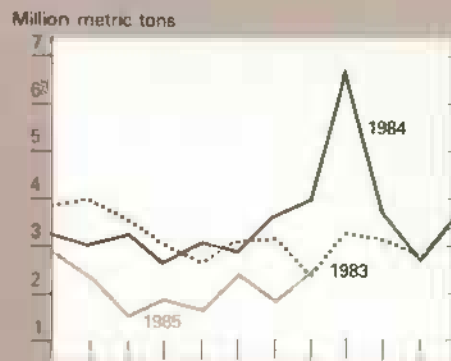
Since 1982/83, growth in total protein meal use has averaged only 1 percent annually. Protein meal use excluding soybean meal has grown much faster. The fastest growth occurred in cottonseed, rapeseed, and sunflowerseed meals. Additional global protein supplies, especially in the EC, may be a major factor affecting prospects for U.S. soybeans and soybean meal exports.

# U.S. Agricultural Trade Indicators

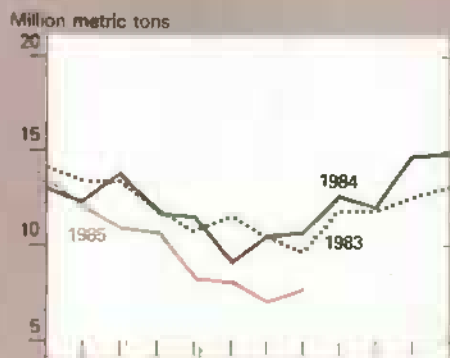
## U.S. agricultural trade balance



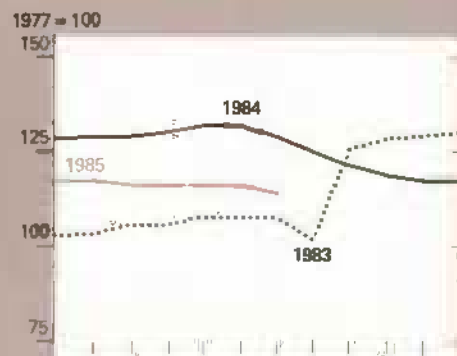
## U.S. wheat exports



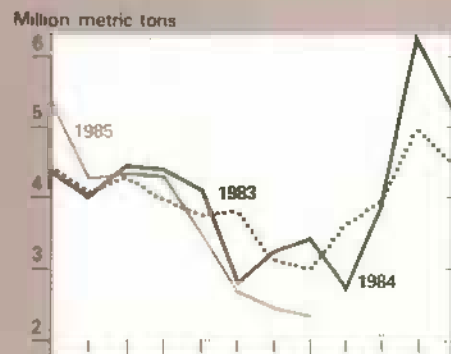
## Export volume



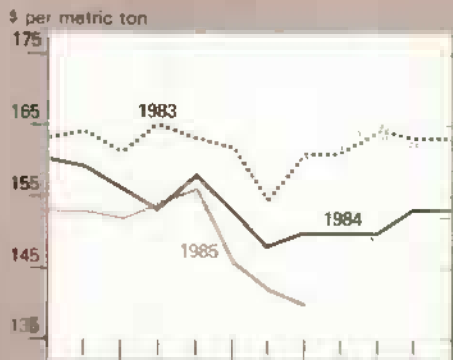
## Export prices



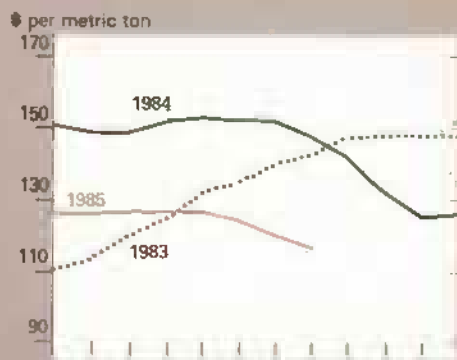
## U.S. corn exports



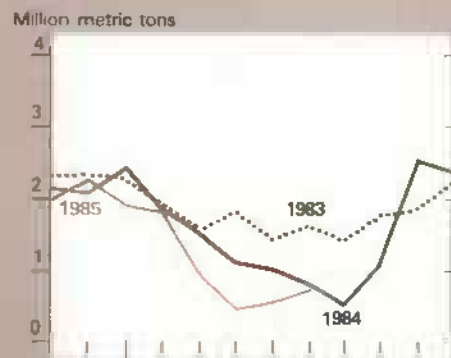
## Wheat export unit value\*



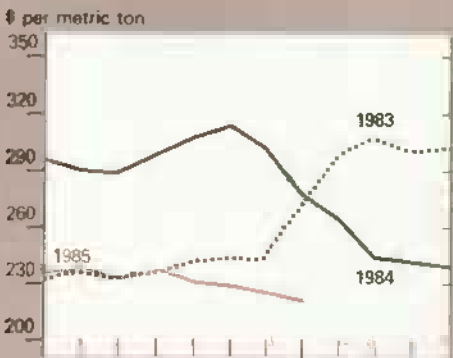
## Corn export unit value\*



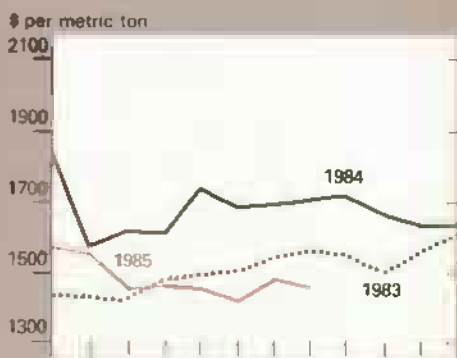
## U.S. soybean exports



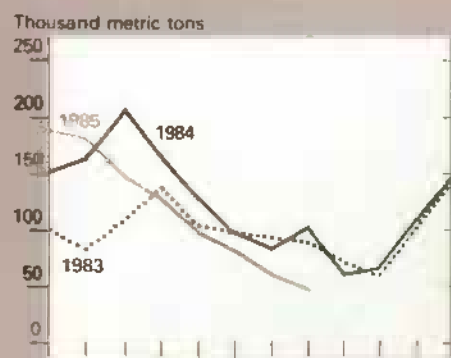
## Soybeans export unit value\*



## Cotton export unit value\*

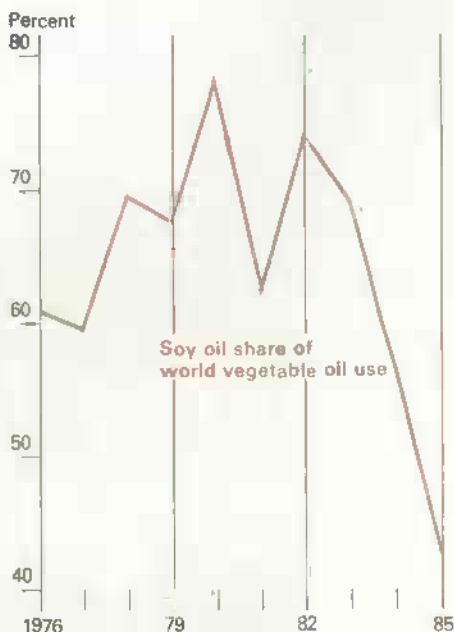


## U.S. cotton exports



\*Value of U.S. exports divided by volume exported. Data on the wheat, corn, soybean, and cotton exchange rates are now included in the U.S. Agricultural Trade tables at the back of this issue

## Soy Oil's World Market Share Now Less Than Half



Many factors contributed to the 1983/84 decline in soybean meal use. Declines occurred in nearly every part of the globe: the Soviet Union, the United States, the EC, Spain, Portugal, Korea, and Japan.

High soybean prices, the strong dollar, weak meat demand, and large supplies of other feedstuffs were the main factors behind sluggish world demand, especially in Europe. The EC's dairy supply reduction policy began in April 1984, leading to lower dairy cattle feeding. In Spain and Portugal, slow economies and high unemployment also diminished the derived demand for feed through reduced demand for meat.

Even in Asia's stronger economies, Japan and South Korea, poor livestock profitability limited soybean meal use, and other less costly feedstuffs replaced soybean meal. The decline in the Soviet Union's use followed the huge increase in 1982/83 and may have been due to quality and handling problems from the prior year's purchases.

The October-December 1983 U.S. soy-meal price averaged 15 percent higher than the average of the previous 5

years. The prospect of reduced supplies drove up prices, particularly early in the season, choking off livestock producers' profitability and curtailing soybean meal use. However, the resulting weak demand was not fully reflected in soybean and soybean meal prices until late in that year, when prices softened.

The weaker prices carried over into the 1984/85 crop year, but world use gained only slightly. Also, half of the gain was in U.S. domestic disappearance. Soybean meal use in the EC, Portugal, Eastern Europe, and the Soviet Union was virtually unchanged or declined. The stagnation in these major U.S. markets, combined with increasing competition from South America, resulted in a 4-million-ton drop in U.S. soybean exports.

For 1985/86, U.S. soybean meal consumption may increase slightly because of low prices and improved livestock profitability. Also, limited South American competition, especially in October-March, could lead to larger U.S. exports. Even though the price ratio of soybean meal to grains in the EC normally favors increased use of soybean meal, other factors will limit gains in soybean meal use and soybean imports there. EC output of rapeseed, sunflowerseed, and feed-quality wheat is expected to rise and provide strong competition. On the positive side, hog production may be increasing in some European nations, increasing meal disappearance.

### *Vegetable Oil Sector Affected by Large Growth in Consumption*

The vegetable oil situation has been the opposite of meal. Since 1978, world vegetable oil consumption has grown about 5 percent annually. Between 1983 and 1985, consumption still gained a healthy 4 percent a year.

In 1983/84, vegetable oil use was maintained as stock drawdowns offset lower production. As stocks tightened, U.S. and world prices rose significantly; 1983/84 U.S. soybean oil prices were 50 percent higher than the previous year. Stocks of vegetable oils dwindled further in 1984/85, as demand strengthened and use increased sharply. Most of the gains in disappearance occurred in the United States and the Middle East.

Even though its price has been high, palm oil use has gained faster than the rest of the vegetable oils in the past 2 years. Soybean oil comprised two-fifths of total vegetable oil use in 1977/78, but only 34 percent in 1984/85. Palm oil use gained sharply in South Asia in 1984/85, almost one-fifth above a year earlier. With an increase in the number of varieties of vegetable oils available in foreign markets and large stocks of them, but limited supplies of soybean oil in the United States, U.S. prices in 1984/85 exceeded world prices.

The growth in global palm oil supplies, along with increased supplies of high-oil-content seeds such as sunflower and rape, has reduced U.S. soybean oil exports. By late 1984/85, a sizable increase in the monthly palm oil output worldwide and sluggish monthly export movement contributed to the severe drop in world vegetable oil prices. Larger use of edible tallow, cottonseed, and corn oil also helped alleviate a tight situation in the United States.

Lower prices will also have an impact in the 1985/86 marketing year. If the high production expectations for palm oil are met, the weakness in oil prices could be sustained, and palm oil should account for an even larger share of total use. The demand for U.S. soybean oil will be affected by this large availability of palm oil in the world market. However, some modest recovery in oil prices could occur if India's imports exceed current USDA estimates and if world oilseed crush is reduced because of weaker protein meal demand.



### **U.S. Sector Absorbs World Supply and Demand Imbalances**

Between 1983/84 and 1984/85, U.S. stocks of soybeans doubled. The rapid expansion in 1985/86 world oilseed and oil supplies, weak demand prospects, and the anticipated huge U.S. soybean crop will lead to record U.S. ending stocks. U.S. stocks are projected to reach 16 million tons, more than world stocks just a few years ago. Thus, prices are expected to average only \$5.05 to \$5.35 per bushel, 9 to 14 percent below a year earlier. U.S. soybean exports have declined 8 million tons in the past 2 crop years, but a significant rise is forecast for 1985/86. However, the forecast is still well below the U.S. soybean export record.

The U.S. soybean sector may be suffering because of expansion in major importers who have both increased their domestic supplies and raised their imports from foreign soybean exporters. Despite some expansion in exports to developing nations, the combined imports of these markets did not compensate for the loss of U.S. exports to the EC and Japan in 1984/85. Nevertheless, U.S. exports cannot improve substantially unless the global livestock economy perks up. [Jan Lipson (202) 786-1691]



## **Agricultural Policy**

### **1985 FARM BILL PROVISIONS**

A 1985 omnibus farm bill was passed by the House of Representatives in early October. The bill (H.R. 2100) is designed to amend and add to the permanent legislation of 1938 and 1949 and authorize programs through crop year 1990.

The Senate is also currently putting together a bill. When the two versions are completed, the differences between them will be reconciled to produce a final bill to be sent to the President for his signature.

The features of the final bill could be similar to or quite different from those contained in H.R. 2100. The provisions of the House bill are as follows.

**Dairy.**—Price supports are tied to an adjusted cost of production index, with an assessment and diversion program to control production. The diversion program would pay farmers \$10 per cwt to cut production 5 to 30 percent a year. Milk producers would be assessed to cover the cost of Government surplus purchases and diversion payments. The bill requires the Secretary of Agriculture to increase Government purchases of beef by 250 million pounds for any year in which the diversion program is in effect. Also included is a whole-herd buy-out program.

**Wheat.**—Target prices are effectively frozen at \$4.38 for 5 years. Loan rates (now at \$3.30) are set at 75 to 85 percent of a 5-year average price, excluding high and low, but can be reduced no more than 5 percent from the previous year. Loans may be recourse or nonrecourse. If nonrecourse, the Secretary has the right, under certain circumstances, to invoke the Findley Amendment\* and lower the loan rate an additional 20 percent. If recourse loans are announced the Secretary has the option to implement a market loan feature whereby a producer can repay a loan either at the average market price in his county or at the loan rate, whichever is lower.

For the 1986 crop year, the acreage reduction program (ARP) is put at 30 percent of base wheat acreage for spring wheat and 20 percent plus 10 percent paid land diversion (PLD) for winter wheat. For crop year 1987 and thereafter, acreage reductions are established at not less than 20 percent of the base.

**Feed grains.**—The corn target price is effectively frozen at \$3.03 for 5 years. Corn loan rates (currently \$2.55) follow the same formula as for wheat. The Secretary has the option to implement the market loan feature with recourse loans or the Findley Amendment with nonrecourse loans. For the 1986 crop year, the ARP is specified at 20 percent of base acreage except for feed grains planted prior to the program announcement. These would be subject to a 10-percent ARP and 10-percent PLD. For 1987 and after, ARP's are established at not less than 10 percent.

**Rice.**—The target price is effectively frozen at \$11.90 per cwt for 5 years. The loan rate (now \$8) is set at 85 percent of the most recent 3-year average of market prices, but can be reduced

\*Findley Amendment: If the loan rate calculated can be shown to hamper exports or result in excess stocks, the Secretary can lower it up to an additional 20 percent. Any further deficiency payments that result are not subject to the \$50,000 limit.

**Cotton.**—The target price is effectively frozen at \$0.81 per pound for 5 years. The formula for calculating the loan rate (now 57.3 cents) is the same as the current one, with the 55-cent minimum loan rate eliminated (but any deficiency payments resulting from a reduction below 55 cents are not subject to payment limitation). The Findley Amendment may be used. The Secretary is directed to issue marketing certificates to first handlers of cotton, valued at the difference between the world price and the loan rate. Certificates are redeemable for CCC stocks. This provision is designed to keep cotton available at competitive prices to export buyers and domestic cotton mills. The ARP is not to exceed 25 percent plus a discretionary 25-percent PIK diversion, as for rice.

**Peanuts.**—The bill extends the current two-tiered price support program, with some minor modifications.

**Soybeans.**—The bill extends the current price support program, adds the Findley Amendment, and allows the 1986 loan rate (current rate is \$5.02) to be reduced by 5 percent if it is inhibiting exports.

**Sugar.**—The bill extends the current program, with the minimum loan rate remaining at 18 cents per pound.

**Wool and Mohair.**—The bill extends the current program.

**Trade.**—Provisions include the export bonus program, expanded credit guarantees, and expanded Section 416 donations.

**Conservation.**—Provisions include a 10-year 25-million-acre conservation reserve program to reduce soil erosion. Also included are swampbuster and sodbuster provisions that deny farm program benefits to individuals cultivating wetlands and previously uncultivated highly erodible cropland.

**Credit.**—The bill continues all existing Farmers Home Administration loan programs. Emergency disaster loan levels are set at \$1.3 billion for 1986, \$0.7 billion for 1987, and \$0.6 billion for 1988, with provisions that the loans can be made only to family-sized farms. The bill directs USDA to continue providing direct farm loans to new as well as existing borrowers.

The bill restricts current and future use of real estate inventory held or acquired by FmHA, and forbids the sale of land acquired by FmHA in foreclosures if the sale would depress local farmland values. It requires that real estate sales, when made, be made in family-sized units where practicable. The bill also contains clear title provisions designed to protect purchasers of farm assets from outstanding liens. [Herb Moses (202) 786-3333]

## Upcoming Crop Reporting Board Releases

The following list gives the release dates of the major Crop Reporting Board reports that will be issued by the time the December *Agricultural Outlook* comes off press.

### November

1	Poultry Slaughter
4	Dairy Products
5	Celery
12	Crop Production Grain Stocks Rice Stocks
13	Turkey Hatchery
15	Sugar Market Statistics Milk Production
19	Farm Labor
20	Catfish
21	Eggs, Chickens, & Turkeys
22	Livestock Slaughter Cattle on Feed Cold Storage
26	Peanut Stocks & Processing
27	Commercial Fertilizers Consumption
29	Agricultural Prices

### Upcoming Economic Reports

Title	Summary Released
World Ag Supply & Demand	November 12
Cotton & Wool	November 18
Agricultural Outlook	November 19
Oil Crops	November 20

Summaries are released electronically on the dates indicated; the full reports, including tables, may also be accessed 2 to 3 days later. For details, call (301) 982-6662.



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# Statistical Indicators

## Summary Data

### Key statistical indicators of the food and fiber sector

	1984	1985					1986		
	Annual	I	II	III p	IV F	Annual F	I F	II F	Annual F
Prices received by farmers (1977=100)	142	135	129	122	126	128	—	—	—
Livestock & products	146	144	135	128	136	136	—	—	—
Crops	138	126	124	116	115	120	—	—	—
Prices paid by farmers, (1977=100)									
prod. items	155	154	152	149	149	151	—	—	—
Commodities & services, int., taxes, & wages	164	164	165	163	163	164	—	—	—
Cash receipts 1/ (\$ bil.)*	141	139	135	132-136	143-147	136-140	—	—	—
Livestock (\$ bil.)	73	73	68	63-67	70-74	67-71	—	—	—
Crops (\$ bil.)	69	66	66	65-69	68-72	67-71	—	—	—
Market basket (1967=100)									
Retail cost	279	284	282	282	283	283	—	—	—
Farm value	255	250	237	225	230	236	—	—	—
Spread	293	304	309	317	315	311	—	—	—
Farm value/retail cost (%)	34	33	31	29	30	30	—	—	—
Retail prices (1967=100)									
Food	303	309	309	309	310	309	—	—	—
At home	292	298	297	296	296	296	—	—	—
Away-from home	333	341	346	348	351	347	—	—	—
Agricultural exports (\$ bil.) 2/	38.0	8.9	6.7	6.4	9.0	32.0	—	—	—
Agricultural imports (\$ bil.) 2/	18.9	4.7	5.5	5.1	4.7	20.0	—	—	—
Livestock & products									
Total livestock & products (1974=100)	114.9	112.4	120.1	120.9	117.9	117.8	113.7	118.7	117.1
Beef (mil. lb.)	23,418	5,691	5,917	6,140	5,725	23,473	5,400	5,350	21,800
Pork (mil. lb.)	14,720	3,618	3,741	3,565	3,775	14,699	3,600	3,675	14,600
Veal (mil. lb.)	479	119	120	120	110	469	100	95	405
Lamb & mutton (mil. lb.)	371	93	83	83	81	340	82	76	315
Red meats (mil. lb.)	38,988	9,521	9,861	9,908	9,691	38,981	9,182	9,196	37,120
Broilers (mil. lb.)	12,999	3,229	3,513	3,475	3,350	13,567	3,350	3,650	14,200
Turkeys (mil. lb.)	2,574	482	627	835	820	2,764	510	670	2,900
Total meats & poultry (mil. lb.)	54,561	13,232	14,001	14,218	13,861	55,312	13,042	13,516	54,220
Eggs (mil. dz.)	5,705	1,430	1,406	1,410	1,460	5,706	1,415	1,400	5,655
Milk (bil. lb.)	135.4	33.6	37.2	36.6	35.3	142.8	35.9	38.4	146.0
Choice steers, Omaha (\$/cwt.)	65.34	62.24	57.66	52.00	58-62	57-59	60-64	63-69	61-67
Barrows & gilts, 7 markets (\$/cwt.)	48.86	47.32	43.09	43.50	40-44	43-45	45-49	43-49	45-51
Broilers-wholesale, 12-city									
weighted avg. dressed (cts./lb.)	55.6	51.5	50.7	50.9	47-51	50-51	48-52	48-54	47-53
Turkeys-wholesale, N.E., 8-16 lb. hens, dressed (cts./lb.)	74.4	68.9	65.1	77.9	78-82	72-74	65-69	62-68	63-69
Eggs, N.Y. Gr. A large, (cts./dz.)	80.9	61.7	60.0	68.3	68-72	64-66	68-72	65-71	67-73
Milk, all at farm (\$/cwt.)	13.45	13.67	12.50	12.13	12.60-12.80	12.70-12.80	12.35-12.75	11.80-12.40	12.00-12.80
Crop prices at the farm 3/									
Wheat (\$/bu.)	3.38	2.92	3.27	2.91	—	3.00-3.20	—	—	—
Corn (\$/bu.)	2.65	2.64	2.67	2.45	—	2.35-2.55	—	—	—
Soybeans (\$/bu.)	5.85	5.84	5.73	5.16	—	5.05-5.35	—	—	—
Upland cotton (cts./lb.)	4/ 58.4	51.5	56.0	56.1	—	—	—	—	—

1/ Quarterly cash receipts are seasonally adjusted at annual rates. 2/ Annual data are based on Oct.-Sept. fiscal years ending with the indicated year. 3/ Quarterly prices are simple averages; annual prices are for marketing year beginning in year indicated. 4/ Through April 30, 1985 (weighted average). F = Forecast. Numbers may not add to totals due to rounding. \*Seasonally adjusted at annual rates.



## Farm Prices: Received and Paid

Indexes of prices received and paid by farmers, U.S. average

	Annual			1984		1985				
	1982	1983	1984	Sept	Apr	May	June	July	Aug	Sept p
	1977=100									
<b>Prices received</b>										
All farm products	133	134	142	138	131	129	128	126	121	120
All crops	121	127	138	135	125	124	122	121	114	112
Food grains	146	148	143	142	142	136	129	123	122	122
Feed grains & hay	120	143	146	137	132	133	130	125	118	112
Food grains	120	146	148	140	133	132	130	126	118	111
Cotton	92	104	108	107	92	90	95	96	93	90
Tobacco	153	155	153	157	157	157	157	157	148	157
Oil-bearing crops	88	102	109	95	90	88	87	84	78	77
Fruit	175	122	197	243	172	180	185	184	173	186
Fresh market 1/	186	123	214	270	182	193	198	197	184	198
Commercial vegetables	126	130	135	128	122	113	100	128	121	116
Fresh market	120	129	133	126	118	106	89	125	117	110
Potatoes 2/	125	123	157	119	146	154	168	150	111	95
Livestock & products	145	141	146	141	136	134	134	130	128	127
Meat animals	155	147	151	146	144	143	142	136	133	127
Dairy products	140	140	139	140	133	129	125	125	125	126
Poultry & eggs	110	118	135	121	110	107	114	114	117	127
<b>Prices paid</b>										
Commodities & services,										
interest, taxes, & wage rates	157	160	164	164	165	165	164	163	163	162
Production items	150	153	155	154	153	152	151	150	150	147
Feed	122	134	135	129	120	119	117	115	112	111
Feeder livestock	164	160	154	149	162	158	155	147	148	137
Seed	141	141	151	156	150	150	150	150	150	154
Fertilizer	144	137	143	147	137	135	135	135	135	135
Agricultural chemicals	119	125	128	129	126	128	128	128	128	128
Fuels & energy	210	202	201	200	201	203	204	204	203	203
Farm & motor supplies	152	152	147	147	147	147	147	146	145	145
Autos & trucks	159	170	182	183	189	194	194	194	193	193
Tractors & self-propelled machinery	165	174	181	182	180	180	177	177	177	174
Other machinery	160	171	180	183	182	182	184	184	184	184
Building & fencing	135	138	138	137	136	136	136	136	136	136
Farm services & cash rent	145	146	148	148	152	152	152	152	152	152
Interest payable per acre on farm real estate debt	241	250	251	251	250	250	250	250	250	250
Taxes payable per acre on farm real estate	124	129	132	132	135	135	135	135	135	135
Wage rates (seasonally adjusted)	144	148	150	152	158	158	158	154	154	154
Production items, interest, taxes, & wage rates	155	159	161	160	160	160	159	157	157	155
<b>Prices received (1910-14=100)</b>	609	614	649	631	598	590	585	575	554	547
<b>Prices paid, etc. (Parity index) (1910-14=100)</b>	1,078	1,104	1,127	1,126	1,133	1,133	1,129	1,124	1,122	1,114
<b>Parity ratio 3/</b>	57	56	58	56	53	52	52	51	49	49

1/ Fresh market for noncitrus and fresh market and processing for citrus. 2/ Includes sweetpotatoes and dry edible beans. 3/ Ratio of index of prices received to index of prices paid, taxes, and wage rates. (1910-14=100).  
p = preliminary.

# Prices received by farmers, U.S. average

	Annual*			1984		1985				
	1982	1983	1984	Sept	Apr	May	June	July	Aug	Sept p
<b>Crops</b>										
All wheat (\$/bu.)	3.52	3.58	3.46	3.43	3.43	3.29	3.09	2.93	2.89	2.90
Rice, rough (\$/cwt.)	8.36	8.31	8.32	8.17	8.20	7.91	7.83	7.54	7.84	7.59
Corn (\$/bu.)	2.37	2.99	3.05	2.90	2.70	2.67	2.63	2.60	2.44	2.31
Sorghum (\$/cwt.)	4.00	4.89	4.60	4.24	4.46	4.55	4.53	4.05	3.84	3.54
All hay, baled (\$/ton)	69.17	73.66	76.08	71.70	73.40	78.90	71.80	68.80	66.90	67.10
Soybeans (\$/bu.)	5.78	6.73	7.02	6.09	5.87	5.70	5.62	5.42	5.09	4.97
Cotton, Upland (cts./lb.)	55.5	62.9	65.5	64.6	55.9	54.7	57.5	58.0	56.0	54.3
Potatoes (\$/cwt.)	5.10	4.97	6.45	4.87	5.79	6.18	6.94	6.04	4.18	3.64
Dry edible beans (\$/cwt.)	16.82	18.22	20.43	19.00	19.80	19.80	19.20	19.80	19.10	16.70
Apples for fresh use (cts./lb.)	15.3	13.2	16.7	20.7	14.9	13.6	12.3	17.5	18.2	17.7
Pears for fresh use (\$/ton)	300	280	218	233	440	481	550	—	278	258
Oranges, all uses (\$/box) 1/	6.61	3.36	9.01	14.67	7.06	8.06	7.78	5.72	4.74	5.01
Grapefruit, all uses (\$/box) 1/	2.06	1.99	3.05	3.42	3.39	2.86	4.19	5.86	5.13	6.07
<b>Livestock</b>										
Beef cattle (\$/cwt.)	57.00	55.83	57.56	55.70	56.20	55.30	53.60	50.20	49.40	48.00
Calves (\$/cwt.)	60.18	62.13	60.23	56.60	65.40	65.60	62.60	60.00	61.40	59.00
Hogs (\$/cwt.)	53.99	46.23	47.61	46.30	41.20	41.40	44.60	45.80	42.50	39.00
Lambs (\$/cwt.)	54.55	55.47	60.33	61.80	68.40	72.40	69.70	70.80	70.80	71.30
All milk, sold to plants (\$/cwt.)	13.59	13.57	13.45	13.60	12.90	12.50	12.10	12.10	12.10	12.20
Milk, manuf. grade (\$/cwt.)	12.66	12.63	12.54	12.80	11.90	11.60	11.30	11.00	11.10	11.30
Broilers (cts./lb.)	26.8	28.5	33.7	31.3	28.8	29.1	31.1	30.6	28.7	31.6
Eggs (cts./doz.) 2/	58.5	63.1	70.2	58.4	53.0	50.0	53.2	52.8	57.8	62.2
Turkeys (cts./lb.)	37.5	36.5	46.6	46.7	40.3	39.4	41.4	44.6	48.3	51.8
Wool (cts./lb.) 3/	68.0	61.5	76.5	74.3	74.8	74.6	72.5	67.9	62.5	61.3

1/ Equivalent on-tree returns. 2/ Average of all eggs sold by producers including hatching eggs and eggs sold at retail. 3/ Average local market price, excluding incentive payments. \*Calendar year averages. p = preliminary.

## Producer and Consumer Prices

### Consumer Price Index for all urban consumers, U.S. average (not seasonally adjusted)

	Annual	1984	1985							
	1984	Aug	Jan	Feb	Mar	Apr	May	June	July	Aug
			1967=100							
Consumer price index, all items	311.1	313.0	316.1	317.4	318.8	320.1	321.3	322.3	322.8	323.5
Consumer price index, less food	311.3	313.2	316.3	317.4	319.1	320.8	322.4	323.6	324.2	325.0
All food	302.9	304.8	307.3	309.5	309.7	309.6	308.9	309.3	309.5	309.7
Food away from home	333.4	335.5	339.9	341.4	342.6	343.9	345.1	346.9	347.3	348.4
Food at home	292.6	294.4	296.1	298.6	298.4	297.7	296.2	296.0	296.2	295.9
Meats 1/	268.1	269.9	270.8	270.6	269.5	266.4	263.4	263.0	262.7	261.2
Beef & veal	275.6	274.3	276.4	275.6	275.3	273.7	269.0	267.4	264.7	261.8
Pork	252.5	259.9	258.5	258.9	256.5	249.0	247.8	248.6	253.1	253.8
Poultry	218.5	216.5	217.4	219.5	217.3	216.7	213.6	216.0	214.7	213.9
Fish	386.8	387.0	406.1	401.4	403.3	402.8	395.8	397.2	402.7	406.1
Eggs	209.0	179.3	161.3	169.7	172.1	169.9	159.9	158.3	168.4	171.0
Dairy products 2/	253.2	252.7	258.8	259.2	258.9	258.3	258.4	257.8	257.8	257.4
Fats & oils 3/	288.0	295.4	295.9	295.1	294.9	294.0	294.0	296.0	297.8	297.1
Fruits & vegetables	317.4	327.7	320.8	333.0	332.1	333.2	330.3	329.0	328.9	326.3
Fresh	330.3	345.7	332.7	354.1	352.1	353.5	346.9	343.9	343.1	337.4
Processed	306.1	310.7	310.6	312.7	313.0	313.8	315.0	315.5	316.1	316.9
Cereals & bakery products	305.3	307.8	312.4	313.7	314.4	314.8	315.9	317.3	317.3	318.5
Sugar & sweets	389.1	392.6	394.5	394.8	394.8	396.1	397.6	398.3	400.2	401.8
Beverages, nonalcoholic	443.0	441.5	449.4	452.7	454.0	454.0	454.1	451.5	448.2	449.6
Apparel commodities less footwear	183.2	183.1	181.9	183.7	187.6	188.2	187.3	186.3	184.1	187.3
Footwear	209.5	207.7	208.6	210.1	213.1	213.2	213.2	213.9	211.4	210.3
Tobacco products	310.0	313.9	321.0	323.2	323.7	324.0	324.1	324.8	330.0	331.3
Beverages, alcoholic	222.1	222.9	224.3	225.8	226.5	226.7	227.7	227.8	227.8	228.9

1/ Beef, veal, lamb, pork, and processed meat. 2/ Includes butter. 3/ Excludes butter.

Producer price indexes, U.S. average (not seasonally adjusted)

	Annual			1984	1985					
	1982	1983	1984	Aug	Mar	Apr	May	June	July	Aug
	1967=100									
Finished goods 1/	280.7	285.2	291.1	291.3	292.1	293.1	294.2	293.9	294.8	293.5
Consumer foods	259.3	261.8	273.3	274.0	273.7	272.2	269.7	268.5	271.7	269.5
Fresh fruit	236.9	251.2	252.8	268.8	248.7	258.1	244.3	242.1	239.2	269.4
Fresh & dried vegetables	246.5	248.9	278.3	294.6	282.7	274.9	237.9	245.3	286.6	234.9
Eggs	178.7	n.a.	210.8	181.2	167.6	175.1	150.2	147.7	164.0	168.9
Bakery products	275.4	285.7	299.0	301.2	309.1	308.9	309.6	311.4	313.3	315.3
Meats	250.6	236.7	236.7	239.0	230.2	222.7	222.2	224.2	228.9	220.9
Beef & veal	245.0	236.7	236.9	231.2	227.8	220.1	217.3	218.9	214.4	204.1
Pork	251.1	227.6	226.2	240.2	218.2	208.0	211.6	216.1	238.7	229.4
Poultry	178.7	185.0	206.1	195.0	193.3	187.7	189.7	196.5	197.3	194.8
Fish	422.4	448.2	485.3	445.1	527.4	537.6	533.9	437.3	463.0	481.9
Dairy products	248.9	250.6	251.7	251.2	253.4	251.4	250.1	249.4	248.0	247.5
Processed fruits & vegetables	274.5	277.4	294.3	295.7	300.2	298.7	297.7	300.7	299.1	301.0
Shortening & cooking oils	234.4	256.1	311.5	317.7	307.3	310.3	310.5	307.6	301.4	280.7
Consumer finished goods less foods	287.8	291.4	294.1	293.8	293.7	295.8	299.1	298.8	299.0	297.6
Beverages, alcoholic	197.8	205.0	209.9	210.7	210.5	210.3	213.6	211.4	214.7	212.3
Soft drinks	319.1	327.4	340.5	342.7	348.6	347.4	346.1	342.4	343.3	343.4
Apparel	194.4	197.4	201.1	201.0	203.3	203.7	203.6	203.8	204.1	204.7
Footwear	245.0	250.1	251.2	250.9	255.5	255.3	253.9	257.5	257.2	258.5
Tobacco products	323.2	365.4	399.5	406.7	420.6	420.7	420.7	420.7	435.9	436.0
Intermediate materials 2/	310.4	312.3	320.0	321.1	318.6	319.3	319.9	319.3	318.6	317.8
Materials for food manufacturing	255.1	258.4	271.1	272.4	263.9	263.9	261.3	262.1	260.6	253.4
Flour	183.4	186.4	185.2	183.5	186.0	189.8	184.3	182.3	179.1	176.3
Refined sugar 3/	161.3	172.0	173.5	173.8	165.6	165.2	166.1	166.4	165.7	165.7
Crude vegetable oils	160.1	193.8	262.1	267.9	246.0	276.6	255.8	266.4	239.0	190.9
Crude materials 4/	319.5	323.6	330.8	328.9	312.3	311.0	310.0	305.5	303.7	295.5
Foodstuffs & feedstuffs	247.8	252.2	259.5	256.5	242.9	239.9	237.0	234.0	231.9	221.4
Fruits & vegetables 5/	253.7	262.1	278.1	293.7	277.7	277.8	250.9	254.0	275.4	260.9
Grains	210.9	240.4	239.7	236.9	216.1	220.6	214.1	212.7	204.9	185.1
Livestock	257.8	243.1	251.8	253.7	236.6	231.3	227.7	226.7	224.0	211.6
Poultry, live	191.9	206.5	240.6	218.6	215.5	202.3	214.6	223.6	227.6	216.0
Fibers, plant & animal	202.9	227.0	228.4	211.3	200.4	211.3	202.8	199.1	201.7	194.5
Milk	282.5	282.0	278.3	276.8	278.4	271.1	264.9	259.6	256.1	255.1
Oilseeds	214.5	245.3	253.3	245.7	213.0	219.4	214.7	211.4	206.7	190.1
Coffee, green	311.5	300.1	308.0	310.2	310.2	310.2	310.2	310.2	310.2	310.2
Tobacco, leaf	269.9	274.2	272.7	275.0	280.0	279.1	276.4	276.4	276.4	259.6
Sugar, raw cane	278.5	315.9	312.0	310.8	298.0	298.5	301.9	305.2	303.0	296.7
All commodities	299.3	303.1	310.3	310.7	308.6	309.3	309.9	309.5	309.0	307.2
Industrial commodities	312.3	315.7	322.6	323.3	322.5	323.8	325.3	325.2	324.3	323.6
All foods 6/	254.4	257.5	269.2	269.6	268.4	267.1	264.3	262.6	265.5	262.2
Farm products & processed foods & feeds	248.9	253.9	262.4	261.4	254.6	253.1	250.6	249.1	250.0	244.4
Farm products	242.4	248.2	255.8	253.3	238.8	236.8	230.4	229.4	229.2	218.0
Processed foods & feeds	251.5	255.9	265.0	264.8	262.3	260.9	260.6	258.8	260.3	257.9
Cereal & bakery products	253.8	261.0	270.5	271.7	277.8	278.9	277.6	278.7	279.2	279.9
Sugar & confectionery	269.7	292.8	301.2	303.7	292.5	293.4	293.6	294.7	293.9	292.2
Beverages	256.9	263.6	273.1	274.6	277.1	276.9	277.9	274.4	276.4	275.6

1/ Commodities ready for sale to ultimate consumer. 2/ Commodities requiring further processing to become finished goods. 3/ All types and sizes of refined sugar. 4/ Products entering market for the first time which have not been manufactured at that point. 5/ Fresh and dried. 6/ Includes all raw, intermediate, and processed foods (excludes soft drinks, alcoholic beverages, and manufactured animal feeds). n.a. = not available.



# Farm-Retail Price Spreads

## Market basket of farm foods

	Annual			1984	1985					
	1982	1983	1984	Aug	Mar	Apr	May	June	July	Aug
Market basket 1/										
Retail cost (1967=100)	266.4	268.7	279.3	281.4	284.2	283.3	281.9	281.8	282.3	281.6
Farm value (1967=100)	247.8	242.3	255.7	258.5	248.2	239.5	234.1	238.6	232.6	222.2
Farm-retail spread (1967=100)	277.4	284.3	293.1	294.9	305.2	309.1	310.1	307.1	311.5	316.5
Farm value/retail cost (%)	34.4	33.4	33.9	34.0	32.4	31.3	30.7	31.4	30.5	29.2
Meat products										
Retail cost (1967=100)	270.3	267.2	268.1	269.9	269.5	266.4	263.4	263.0	262.7	261.2
Farm value (1967=100)	251.3	235.8	241.6	247.2	234.2	220.6	215.1	220.2	209.2	192.4
Farm-retail spread (1967=100)	292.4	304.0	299.0	296.5	310.8	320.0	319.9	313.1	325.4	341.8
Farm value/retail cost (%)	50.2	47.6	48.6	49.4	46.9	44.7	44.1	45.2	43.0	39.7
Dairy products										
Retail cost (1967=100)	247.0	250.0	253.2	252.7	258.9	258.3	258.4	257.8	257.8	257.4
Farm value (1967=100)	261.9	262.1	259.0	258.3	257.6	254.0	248.5	254.1	244.0	241.3
Farm-retail spread (1967=100)	233.9	239.3	248.0	247.8	260.0	262.1	267.4	261.0	269.9	271.6
Farm value/retail cost (%)	49.6	49.0	47.8	47.8	46.5	46.0	44.9	46.1	44.3	43.8
Poultry										
Retail cost (1967=100)	194.9	197.5	218.5	216.5	217.3	216.7	213.6	216.0	214.7	213.9
Farm value (1967=100)	201.9	213.0	251.7	233.7	224.7	216.9	217.3	231.4	232.8	227.9
Farm-retail spread (1967=100)	188.1	182.4	186.4	199.9	210.2	216.5	210.0	201.1	197.2	200.3
Farm value/retail cost (%)	50.7	53.1	56.6	53.1	50.8	49.2	50.0	52.7	53.3	52.4
Eggs										
Retail cost (1967=100)	178.7	187.1	209.0	179.3	172.1	169.9	159.9	158.3	168.4	171.0
Farm value (1967=100)	189.8	206.1	229.6	184.4	180.6	161.6	149.4	163.2	162.1	180.6
Farm-retail spread (1967=100)	162.7	159.5	179.2	171.9	159.8	181.9	175.0	151.2	177.5	157.2
Farm value/retail cost (%)	62.8	65.1	64.9	60.8	62.0	56.2	55.2	60.9	56.9	62.4
Cereal & bakery products										
Retail cost (1967=100)	283.4	292.5	305.3	307.8	314.4	314.8	315.9	317.3	317.3	318.5
Farm value (1967=100)	178.8	186.6	191.9	187.0	188.1	188.2	182.1	177.4	169.8	163.3
Farm-retail spread (1967=100)	305.1	314.0	328.8	332.8	340.5	341.0	343.6	346.2	347.8	350.6
Farm value/retail cost (%)	10.8	11.1	10.8	10.4	10.3	10.2	9.9	9.6	9.2	8.8
Fresh fruits										
Retail cost (1967=100)	323.2	303.6	345.3	374.0	381.2	383.1	404.4	401.7	394.9	400.5
Farm value (1967=100)	288.8	220.6	315.1	346.9	293.6	275.7	275.7	285.3	285.4	278.4
Farm-retail spread (1967=100)	338.7	340.8	358.9	386.2	420.5	431.3	452.1	447.9	444.0	455.3
Farm value/retail cost (%)	27.7	22.5	28.3	28.7	23.9	22.3	23.0	23.0	22.4	21.5
Fresh vegetables										
Retail cost (1967=100)	288.9	299.3	331.8	338.7	342.0	340.8	314.3	309.5	317.9	301.4
Farm value (1967=100)	261.3	267.4	299.3	367.0	305.5	291.8	249.1	240.6	309.5	289.4
Farm-retail spread (1967=100)	301.8	314.3	347.1	325.4	359.2	363.8	344.9	341.9	321.8	307.1
Farm value/retail cost (%)	28.9	28.6	28.9	34.6	28.6	27.4	25.3	24.9	31.1	30.7
Processed fruits & vegetables										
Retail cost (1967=100)	286.0	288.8	306.1	310.7	313.0	313.8	315.0	315.5	316.1	316.9
Farm value (1967=100)	321.1	300.5	343.2	349.3	373.8	375.4	377.1	377.2	378.4	377.1
Farm-retail spread (1967=100)	278.2	286.2	297.8	302.2	299.5	300.2	301.1	301.8	302.2	303.6
Farm value/retail cost (%)	20.4	18.9	20.3	20.4	21.6	21.7	21.7	21.7	21.7	21.6
Fats & oils										
Retail cost (1967=100)	259.9	263.1	288.0	295.4	294.9	294.0	294.0	296.0	297.8	297.1
Farm value (1967=100)	207.8	251.0	324.5	296.1	313.3	323.4	322.1	320.9	290.0	242.0
Farm-retail spread (1967=100)	279.9	267.8	273.9	295.1	287.8	282.7	283.2	286.4	300.8	318.3
Farm value/retail cost (%)	22.2	26.5	31.3	27.8	29.5	30.6	30.4	30.1	27.1	22.6

1/ Retail costs are based on indexes of retail prices for domestically produced farm foods from the CPI-U published monthly by the Bureau of Labor Statistics. The farm value is the payment to farmers for quantity of farm product equivalent to retail unit, less allowance for byproduct. Farm values are based on prices at first point of sale and may include marketing charges such as grading and packing for some commodities. The farm-retail spread, the difference between the retail price and the farm value, represents charges for assembling, processing, transporting, and distributing these foods.

Note: Annual historical data on farm-retail price spreads may be found in Food Consumption, Prices and Expenditure, Statistical Bulletin 713, ERS, USDA.

## Farm-retail price spreads

	Annual			1984	1985					
	1982	1983	1984	Aug	Mar	Apr	May	June	July	Aug
<b>Beef, Choice</b>										
Retail price 1/ (cts./lb.)	242.5	238.1	239.6	237.1	238.6	236.8	234.4	232.0	230.6	225.5
Net carcass value 2/ (cts.)	150.7	145.4	147.6	144.0	137.0	132.9	133.0	131.2	122.6	119.8
Net farm value 3/ (cts.)	140.5	136.2	140.0	137.0	129.7	127.0	125.4	122.9	114.0	112.0
Farm-retail spread (cts.)	102.0	101.9	99.6	100.1	108.9	109.8	109.0	109.1	116.6	113.5
Carcass-retail spread 4/ (cts.)	91.8	92.7	92.0	93.1	101.6	103.9	101.4	100.8	108.0	105.7
Farm-carcass spread 5/ (cts.)	10.2	9.2	7.6	7.0	7.3	5.9	7.6	8.3	8.6	7.8
Farm value/retail price (%)	58	57	58	58	54	54	53	53	49	50
<b>Pork</b>										
Retail price 1/ (cts./lb.)	175.4	169.8	162.0	166.1	164.7	159.3	158.7	157.9	161.7	161.8
Wholesale value 2/ (cts.)	121.8	108.9	110.1	115.9	102.0	97.2	99.6	106.3	99.9	96.8
Net farm value 3/ (cts.)	88.0	76.5	77.4	82.6	69.6	65.8	67.8	73.6	74.6	69.8
Farm-retail spread (cts.)	87.4	93.3	84.6	83.5	95.1	93.5	90.9	84.3	87.1	92.0
Wholesale-retail spread 4/ (cts.)	53.6	60.9	51.9	50.2	62.7	62.1	59.1	51.6	61.8	65.0
Farm-wholesale spread 5/ (cts.)	33.8	32.4	32.7	33.3	32.4	31.4	31.8	32.7	25.3	27.0
Farm value/retail price (%)	50	45	48	50	42	41	43	47	46	43

1/ Estimated weighted average price of retail cuts from pork and yield grade 3 beef carcasses. Retail prices from BLS.  
 2/ Value of carcass quantity equivalent to 1 lb. of retail cuts; beef adjusted for value of fat and bone byproducts.  
 3/ Market value to producer for quantity of live animal equivalent to 1 lb. retail cuts minus value of byproducts.  
 4/ Represents charges for retailing and other marketing services such as fabricating, wholesaling, and in-city transportation. 5/ Represents charges made for livestock marketing, processing, and transportation to city where consumed.

## Livestock and Products

### Poultry and eggs

	Annual			1984	1985					
	1982	1983	1984	Aug	Mar	Apr	May	June	July	Aug
<b>Broilers</b>										
Federally inspected slaughter, certified (mil. lb.)	12,039	12,389	12,999	1,210.5	1,082.6	1,196.6	1,221.5	1,094.8	1,203.3	1,211.0
Wholesale price, 9-city, (cts./lb.) 1/	44.0	49.4	55.6	51.5	49.7	47.8	50.9	53.4	50.2	50.1
Price of grower feed (\$/ton)	210	223	233	225	214	207	199	196	196	192
Broiler-feed price ratio (lb.) 2/	2.6	2.6	2.8	2.7	2.8	2.8	2.9	3.2	3.1	3.0
Stocks beginning of period (mil. lb.)	32.6	22.3	21.2	21.0	22.9	24.1	26.2	27.4	28.5	30.1
Avg. weekly placements of broiler chicks, 19 States (mil.)	80.2	80.4	83.1	84.4	89.2	90.3	90.1	90.4	87.0	86.4
<b>Turkeys</b>										
Federally inspected slaughter, certified (mil. lb.)	2,459	2,563	2,574	279.6	176.3	177.3	212.3	238.3	271.1	300.4
Wholesale price, New York, 8-16 lb. young hens (cts./lb.)	60.8	60.5	74.4	72.4	67.0	64.6	62.6	68.1	72.8	78.4
Price of turkey grower feed (\$/ton)	229	247	245	238	220	214	212	211	210	211
Turkey-feed price ratio (lb.) 2/	3.3	3.0	3.8	3.8	3.7	3.8	3.7	3.9	4.2	4.6
Stocks beginning of period (mil. lb.)	238.4	203.9	161.8	278.2	131.5	131.1	157.0	181.7	243.3	304.7
Poults placed in U.S. (mil.)	(4/)	181.8	190.0	13.5	18.6	20.5	21.9	20.1	19.4	15.4
<b>Eggs</b>										
Farm production (mil.)	69,680	68,169	68,193	5,762	5,919	5,668	5,721	5,481	5,660	5,688
Average number of layers (mil.)	286	276	278	276	277	274	271	269	271	273
Rate of lay (eggs per layer on farms)	243	247	245	20.9	21.4	20.7	21.1	20.3	20.9	20.9
Cartoned price, New York, grade A large (cts./doz.) 3/	70.1	75.2	80.9	68.8	65.5	59.9	55.7	64.4	60.2	69.8
Price of laying feed (\$/ton)	190	204	206	202	186	186	183	182	181	178
Egg-feed price ratio (lb.) 2/	6.1	6.2	6.8	5.8	6.2	5.7	5.5	5.8	5.8	6.5
<b>Stocks, first of month</b>										
Shell (thou. cases)	34	34	13	29	29	23	26	30	21	30
Frozen (mil. lb.)	21.6	25.4	11.8	17.5	13.9	13.5	13.2	15.1	14.8	18.0
Replacement chicks hatched (mil.)	444	407	459	34.8	37.0	41.1	39.1	34.0	31.8	32.2

1/ 12-city composite weighted average beginning April 25, 1983. 2/ Pounds of feed equal in value to 1 dozen eggs or 1 lb. of broiler or turkey liveweight. 3/ Price of cartoned eggs to volume buyers for delivery to retailers. 4/ Not reported.

## Dairy

	Annual			1984	1985					
	1982	1983	1984	Aug	Mar	Apr	May	June	July	Aug
Milk prices, Minnesota-Wisconsin, 3.5% fat (\$/cwt.) 1/	12.49	12.49	12.29	12.30	11.95	11.62	11.46	11.20	11.10	11.08
Price of 16% dairy ration (\$/ton)	177	188	191	188	172	171	170	168	168	165
Milk-feed price ratio (lb.) 2/	1.54	1.45	1.42	1.40	1.55	1.51	1.47	1.44	1.44	1.47
Wholesale prices										
Butter, Grade A Chi. (cts./lb.)	147.7	147.3	148.8	150.6	141.2	141.9	141.9	141.9	141.5	140.7
Am. cheese, Wis. assembly pt. (cts./lb.)	138.3	138.3	138.0	138.6	132.0	129.9	128.0	126.7	124.7	124.2
Nonfat dry milk, (cts./lb.) 3/	93.2	93.2	90.9	90.7	89.7	84.5	84.5	83.3	81.4	80.9
USDA net removals										
Total milk equiv. (mil. lb.) 4/	14,281.6	16,813.7	8,644.7	266.7	1,354.3	1,496.4	1,451.2	1,289.6	1,158.9	753.5
Butter (mil. lb.)	382.0	413.2	202.6	2.3	34.2	36.6	42.1	29.2	20.2	11.9
Am. cheese (mil. lb.)	642.5	832.8	447.3	21.8	65.1	74.4	58.3	69.1	74.7	51.0
Nonfat dry milk (mil. lb.)	948.1	1,061.0	678.4	52.3	63.9	86.8	94.5	109.3	104.7	87.2
Milk										
Total milk production (mil. lb.)	135,505	139,672	135,444	11,206	11,857	12,007	12,790	12,434	12,403	12,291
Milk per cow (lb.)	12,306	12,585	12,495	1,037	1,094	1,101	1,164	1,128	1,120	1,107
Number of milk cows (thou.)	11,011	11,098	10,840	10,807	10,839	10,903	10,984	11,025	11,070	11,103
Stocks, beginning 4/										
Total (mil. lb.)	18,377	20,054	22,646	22,626	15,667	15,510	15,023	15,480	16,045	16,130
Commercial (mil. lb.)	5,398	4,603	5,234	5,574	5,101	4,970	4,977	5,323	5,525	5,528
Government (mil. lb.)	12,980	15,451	17,412	17,052	10,566	10,540	10,046	10,157	10,520	10,602
Imports, total (mil. lb.) 4/	2,477	2,616	2,741	229	180	186	177	224	196	212
Commercial disappearance										
milk equiv. (mil. lb.)	122,135	122,474	126,763	11,043	10,543	10,468	10,972	10,974	11,239	11,872
Butter										
Production (mil. lb.)	1,257.0	1,299.2	1,103.3	70.2	107.1	110.8	112.9	97.3	94.7	91.3
Stocks, beginning (mil. lb.)	429.2	466.8	499.4	489.6	289.4	291.7	272.7	283.2	286.8	280.7
Commercial disappearance (mil. lb.)	897.3	881.7	902.3	70.7	75.5	70.7	65.4	68.9	73.4	89.3
American cheese										
Production (mil. lb.)	2,752.3	2,927.7	2,648.2	204.6	230.9	251.2	271.5	265.5	251.4	248.9
Stocks, beginning (mil. lb.)	889.1	981.4	1,161.5	1,165.7	897.7	874.0	857.2	878.0	925.0	941.1
Commercial disappearance (mil. lb.)	2,166.8	2,083.3	2,253.6	190.8	177.6	192.1	193.7	178.9	186.2	209.6
Other cheese										
Production (mil. lb.)	1,789.4	1,891.8	2,025.5	166.6	180.7	172.6	179.7	175.8	177.9	175.8
Stocks, beginning (mil. lb.)	86.6	82.8	104.9	107.2	100.4	101.3	106.8	108.0	107.3	110.0
Commercial disappearance (mil. lb.)	2,044.6	2,134.3	2,310.9	195.9	198.7	185.6	198.8	201.4	195.6	203.2
Nonfat dry milk										
Production (mil. lb.)	1,400.5	1,499.9	1,158.9	88.2	104.6	126.0	139.9	143.2	141.5	132.2
Stocks, beginning (mil. lb.)	889.7	1,282.0	1,394.9	1,407.2	1,119.8	1,095.1	1,075.0	1,084.8	1,069.8	1,088.2
Commercial disappearance (mil. lb.)	447.7	459.9	496.0	50.4	34.3	33.6	36.3	19.9	43.7	52.9
Frozen dessert										
production (mil. gal.) 5/	1,178.2	1,224.2	1,229.8	123.9	100.5	107.0	122.2	125.3	136.6	126.7

1/ Manufacturing grade milk. 2/ Pounds of 16% protein ration equal in value to 1 pound of milk. 3/ Prices paid f.o.b. Central States production area, high heat spray process. 4/ Milk-equivalent, fat-basis. 5/ Ice cream, ice milk, and hard sherbet.

## Wool

	Annual			1984	1985					
	1982	1983	1984	Aug	Mar	Apr	May	June	July	Aug
U.S. wool price, Boston 1/ (cts./lb.)	247	212	229	230	185	182	191	193	193	193
Imported wool price, Boston 2/ (cts./lb.)	262	248	241	232	200	183	190	190	195	196
U.S. mill consumption, scoured										
Apparel wool (thou. lb.)	105,857	126,729	128,982	9,909	9,825	8,765	9,284	10,644	6,526	7,640
Carpet wool (thou. lb.)	9,825	13,851	13,088	910	1,462	977	963	797	691	1,075

1/ Wool price delivered at U.S. mills, clean basis, Graded Territory 64's (20.60-22.04 microns) staple 2-3/4" and up. 2/ Wool price delivered at U.S. mills, clean basis, Australian 60/62's, type 64A (24 micron). Duty since 1982 has been 10.0 cents.



# Meat animals

	Annual			1984	1985					
	1982	1983	1984	Aug	Mar	Apr	May	June	July	Aug
<b>Cattle on feed (7-States)</b>										
Number on feed (thou. head) 1/	7,201	8,316	8,006	6,811	7,877	7,814	7,495	7,444	7,052	6,394
Placed on feed (thou. head)	20,261	19,727	20,772	1,680	1,594	1,417	1,666	1,267	1,073	1,502
Marketings (thou. head)	18,007	18,680	18,785	1,683	1,559	1,603	1,589	1,572	1,670	1,697
Other disappearance (thou. head)	1,139	1,354	1,376	61	98	133	128	87	61	62
Beef steer-corn price ratio, Omaha (bu.) 2/	26.5	20.6	21.6	20.7	22.2	21.5	21.5	21.0	20.6	21.7
Hog-corn price ratio, Omaha (bu.) 2/	22.9	15.9	16.1	16.8	16.4	15.2	15.7	16.9	17.9	18.2
<b>Market prices (\$ per cwt.)</b>										
<b>Slaughter cattle:</b>										
Choice steers, Omaha	64.22	62.37	65.34	64.36	59.58	58.72	58.58	56.69	53.26	51.94
Utility cows, Omaha	39.96	39.35	39.81	40.86	43.16	42.30	41.97	39.38	36.10	35.90
Choice vealers, S. St. Paul	77.70	72.97	63.95	52.50	60.00	60.00	60.00	63.44	62.25	58.59
<b>Feeder cattle:</b>										
Choice, Kansas City, 600-700 lb.	64.82	63.70	65.28	64.04	67.40	68.60	67.04	65.40	60.76	61.52
<b>Slaughter hogs:</b>										
Barrows & gilts, 7-markets	55.44	47.71	48.86	52.26	43.93	41.41	42.17	45.68	46.99	43.50
<b>Feeder pigs:</b>										
S. Mo. 40-50 lb. (per head)	51.14	34.03	39.12	34.22	46.31	43.67	39.39	36.74	31.74	34.17
<b>Slaughter sheep &amp; lambs:</b>										
Lambs, Choice, San Angelo	56.44	57.40	62.18	58.62	70.12	72.50	73.32	63.88	71.50	71.69
Ewes, Good, San Angelo	21.80	16.85	20.90	17.70	37.12	31.97	30.10	32.88	37.94	32.50
<b>Feeder lambs:</b>										
Choice, San Angelo	53.31	54.87	61.02	57.81	73.25	65.50	74.25	71.84	73.82	74.34
<b>Wholesale meat prices, Midwest</b>										
Choice steer beef, 600-700 lb.	101.31	97.83	98.01	97.61	92.00	89.20	89.52	88.48	82.22	80.02
Canner & Cutter cow beef	78.96	78.48	74.70	75.07	80.94	77.22	78.06	75.41	73.32	74.02
Pork loins, 8-14 lb. 3/	111.51	—	96.36	102.41	84.22	79.90	84.03	90.59	96.85	93.77
Pork bellies, 12-14 lb.	76.54	60.58	60.08	62.17	64.25	58.83	58.64	70.15	62.53	54.17
Hams, skinned, 14-17 lb.	91.47	75.60	78.22	78.22	70.44	65.18	63.07	63.44	65.79	63.92
<b>Commercial slaughter (thou. head)*</b>										
<b>Cattle</b>										
Steers	35,843	36,649	37,570	3,396	2,882	2,971	3,173	2,878	3,139	3,215
Heifers	17,277	17,486	17,474	1,532	1,349	1,377	1,553	1,434	1,523	1,519
Cows	10,394	10,758	10,691	999	905	979	981	873	987	1,060
Bulls & stags	7,354	7,597	8,617	786	569	554	567	509	562	569
Calves	818	808	788	79	59	61	72	62	67	67
Sheep & lambs	3,021	3,076	3,292	316	279	270	264	235	291	289
Hogs	6,449	6,619	6,758	583	578	534	509	438	502	517
<b>Commercial production (mil. lb.)</b>										
Beef	82,190	87,584	85,156	6,846	7,134	7,381	7,563	6,394	6,600	7,017
Veal	22,366	23,058	23,410	2,112	1,857	1,935	2,088	1,894	2,059	2,122
Lamb & mutton	423	429	477	44	40	41	42	37	43	41
Pork	356	368	372	31	33	30	29	24	28	29
	14,121	15,120	14,718	1,175	1,232	1,288	1,328	1,125	1,146	1,210

1/ Beginning of period. 2/ Bushels of corn equal in value to 100 pounds live-weight. 3/ Beginning January 1984 prices are for 14-17 lbs. 4/ Quarters are Dec. preceding year-Feb. (I), Mar.-May (II), June-Aug. (III), and Sept.-Nov. (IV). 5/ Intentions. \*Classes estimated.

# Crops and Products

## Food grains

	Marketing year 1/			1984	1985					
	1981/82	1982/83	1983/84	Aug	Mar	Apr	May	June	July	Aug
<b>Wholesale prices</b>										
Wheat, No. 1 HRW, Kansas City (\$/bu.) 2/	4.27	3.94	3.83	3.80	3.67	3.62	3.34	3.38	3.17	3.00
Wheat, DNS, Minneapolis (\$/bu.) 2/	4.17	3.94	4.21	3.72	3.55	3.64	3.35	3.54	3.29	2.87
Rice, S.W. La. (\$/cwt.) 3/	20.20	18.00	19.38	18.25	18.00	18.00	18.00	18.00	17.67	17.50
<b>Wheat</b>										
Exports (mil. bu.)	1,771	1,509	1,429	148	65	76	63	90	69	90
Mill grind (mil. bu.)	631	656	694	59	59	55	58	54	55	n.a.
Wheat flour production (mil. cwt.)	280	292	308	26	26	25	26	24	24	n.a.

	Marketing year 1/			1983	1984			1985		
	1981/82	1982/83	1983/84	Oct-Dec	Jan-Mar	Apr-May	June-Sept	Oct-Dec	Jan-Mar	Apr-May
<b>Wheat</b>										
Stocks, beginning (mil. bu.)	989	1,159	1,515	2,955	2,326	1,756	1,398	2,740	2,141	1,667
<b>Domestic use</b>										
Food (mil. bu.)	602	616	635	161	163	102	212	167	165	105.5
Food & seed (mil. bu.) 4/	254	318	477	118	44	31	395	59	44	0
Exports (mil. bu.)	1,771	1,509	1,429	362	364	226	645	374	266	139.1

1/ Beginning June 1 for wheat and August 1 for rice. 2/ Ordinary protein. 3/ Long-grain, milled basis. 4/ Feed use approximated by residual. n.a. = not available.

## Feed grains

	Marketing year 1/			1984	1985					
	1981/82	1982/83	1983/84	Aug	Mar	Apr	May	June	July	Aug
<b>Wholesale prices</b>										
Corn, No. 2 yellow, St. Louis (\$/bu.)	2.61	2.98	3.45	3.33	2.86	2.88	2.81	2.79	2.72	2.47
Sorghum, No. 2 yellow, Kansas City (\$/cwt.)	4.28	4.92	5.13	4.74	4.58	4.76	4.74	4.74	4.50	4.00
Barley, feed, Minneapolis (\$/bu.)	2.21	1.76	2.48	2.13	1.97	2.05	2.05	1.90	1.66	1.46
Barley, malting, Minneapolis (\$/bu.)	3.06	2.53	2.84	2.48	2.51	2.52	2.55	2.46	2.25	2.03
<b>Exports</b>										
Corn (mil. bu.)	1,967	1,870	1,865	136	172	169	138	108	97	92
Feed grains (mil. metric tons) 2/	58.4	54.0	55.8	4.0	5.3	4.9	4.0	3.4	3.0	2.9
	Marketing year 1/			1984				1985		
	1981/82	1982/83	1983/84	Jan-Mar	Apr-May	June-Sept	Oct-Dec	Jan-Mar	Apr-May	June-Sept p
<b>Corn</b>										
Stocks, beginning (mil. bu.)	1,034	2,174	3,120	4,913	3,251	2,145	723	5,856	3,961	2,832
<b>Domestic use:</b>										
Food (mil. bu.)	4,202	4,522	3,736	969	580	553	1,683	1,147	618	703
Food, seed, ind. (mil. bu.)	812	898	975	184	187	383	235	201	205	424
<b>Feed grains 2/</b>										
Stocks, beginning (mil. metric tons)	34.6	68.2	97.3	154.9	104.3	70.6	44.1	181.9	123.5	89.1
<b>Domestic use:</b>										
Feed (mil. metric tons)	128.5	139.5	117.4	29.4	18.1	20.3	53.6	35.6	18.9	23.2
Food, seed, ind. (mil. metric tons)	25.8	27.9	29.8	5.9	6.1	11.2	7.1	6.3	6.7	12.3

1/ Beginning October 1 for corn and sorghum; June 1 for oats and barley. 2/ Aggregated data for corn, sorghum, oats, and barley.

## Fats and oils

	Marketing year 1/			1984	1985					
	1982/83	1983/84	1984/85	Aug	Mar	Apr	May	June	July	Aug
<b>Soybeans</b>										
Wholesale price, No. 1 yellow, Chicago (\$/bu.) 2/	6.11	7.78	5.88	6.50	5.92	6.00	5.76	5.78	5.58	5.20
Crushings (mil. bu.)	1,108.0	983	1,030.5	71.1	85.6	83.2	89.3	82.7	81.9	77.5
Exports (mil. bu.)	905.2	740.3	600.7	30.6	67.9	65.4	33.1	18.2	19.2	26.3
<b>Soybean oil</b>										
Wholesale price, crude, Decatur (cts./lb.)	20.6	30.55	29.50	27.97	31.33	33.63	32.49	32.46	29.07	22.58
Production (mil. lb.)	12,040.4	10,872.0	10,614.5	819.4	946.0	917.5	983.3	918.8	912.6	868.7
Domestic disp. (mil. lb.)	9,857.3	9,598	9,777.9	864.9	769.4	894.8	890.0	754.8	745.9	809.4
Exports (mil. lb.)	2,024.7	1,814	1,557.1	73.0	184.8	66.8	52.4	138.8	174.4	70.1
Stocks, beginning (mil. lb.)	1,102.5	1,261	720.5	989.6	723.8	715.6	665.9	706.7	731.9	724.2
<b>Soybean meal</b>										
Wholesale price, 44% protein, Decatur (\$/ton)	187.19	188.21	117.08	151.60	125.9	117.90	111.5	110.25	114.00	121.40
Production (thou. ton)	26,713.6	22,756.2	22,729.1	1,689.6	2,023.6	1,958.3	2,100.9	1,952.7	1,934.0	1,831.4
Domestic disp. (thou. ton)	19,306.0	17,541.0	18,479.7	1,523.6	1,496.8	1,585.7	1,703.6	1,525.9	1,602.4	1,571.5
Exports (thou. ton)	7,108.7	5,436.1	4,504.8	278.8	416.3	387.4	331.3	353.0	338.7	364.4
Stocks, beginning (thou. ton)	175.2	474	255.4	355.5	334.1	444.6	429.8	495.8	569.6	562.5
<b>Margarine, wholesale price, Chicago (cts./lb.)</b>	41.1	46.3	55.4	55.50	54.00	56.00	55.50	55.50	54.30	52.00

1/ Beginning September 1 for soybeans; October 1 for soybean meal and oil; calendar year for margarine. 2/ Beginning April 1, 1982, prices based on 30-day delivery, using upper end of the range.

## Cotton

	Marketing year 1/			1984	1985					
	1981/82	1982/83	1983/84	Aug	Mar	Apr	May	June	July	Aug
<b>U.S. price, SLM, 1-1/16 in. (cts./lb.) 2/</b>	60.5	63.1	73.1	63.0	60.2	61.7	60.1	59.8	59.5	57.9
<b>Northern Europe prices:</b>										
Index (cts./lb.) 3/	73.8	76.7	87.6	75.5	67.3	66.3	65.1	62.8	61.1	57.0
U.S. M 1-3/32" (cts./lb.) 4/	75.9	78.0	87.1	75.8	73.7	75.9	74.8	72.4	70.4	68.2
<b>U.S. mill consumption (thou. bales)</b>	5,263.8	5,512.8	5,883.5	434.8	527.9	426.2	446.4	546.5	387.0	486.2
<b>Exports (thou. bales)</b>	6,567.3	5,206.8	6,786.0	478.7	648.5	577.8	453.0	375.3	268.0	206.9

1/ Beginning August 1. 2/ Average spot market. 3/ Liverpool Outlook "A" index; average of five lowest prices of 10 selected growths. 4/ Memphis territory growths.

## Fruit

	Annual			1984	1985					
	1982	1983	1984	Aug	Mar	Apr	May	June	July	Aug
<b>Producer price indexes</b>										
Fresh fruit (1967=100)	235.4	250.6	260.2	268.0	248.7	258.6	244.3	242.1	239.2	269.4
Dried fruit (1967=100)	409.7	409.3	385.2	357.3	355.8	356.2	362.2	362.2	362.2	362.2
Canned fruit & juice (1967=100)	283.7	286.8	312.5	315.4	326.1	325.1	325.1	326.8	328.1	328.2
Frozen fruit & juice (1967=100)	305.5	300.9	350.8	352.8	373.1	372.7	374.4	371.5	369.9	364.6
<b>F.o.b. shipping point prices</b>										
Apples, Yakima Valley (\$/ctn.) 1/	n.a.	n.a.	n.a.	14.38	15.38	16.38	16.47	16.30	15.63	14.13
Pears, Yakima Valley (\$/box) 2/	n.a.	n.a.	n.a.	12.75	15.00	15.50	12.14	23.50	n.a.	15.00
Oranges, U.S. avg. (\$/box) 3/	11.10	14.40	15.20	23.30	16.70	17.00	16.50	16.50	15.90	15.80
Grapefruit, U.S. avg. (\$/box) 3/	9.03	9.13	10.10	10.70	11.70	11.70	13.50	14.80	15.10	14.50
	Year ending			1984	1985					
	1982	1983	1984	Aug	Mar	Apr	May	June	July	Aug
<b>Stocks, ending</b>										
Fresh apples (mil. lb.)	3,082.3	2,980.1	3,171.5	8.9	1,372.3	910.4	485.1	291.2	132.4	34.4
Fresh pears (mil. lb.)	180.9	250.6	184.9	100.0	59.2	34.1	10.3	1.5	5.1	92.5
Frozen fruit (mil. lb.)	627.5	644.7	694.5	715.8	512.1	458.5	442.2	527.4	707.0	728.8
Frozen fruit juices (mil. lb.)	1,157.6	924.9	941.9	1,065.9	1,472.4	1,579.0	1,632.2	1,430.2	1,405.9	1,286.2

1/ Red Delicious, Washington, extra fancy, carton tray pack, 80-113's. 2/ D'Anjou, Washington, standard box wrapped, U.S. No. 1, 90-135's. 3/ F.O.B. packed fresh. n.a. = not available.

## Vegetables

	Annual			1984	1985					
	1982	1983	1984	Aug	Mar	Apr	May	June	July	Aug
Wholesale prices										
Potatoes, white, f.o.b. East (\$/cwt.)	6.05	7.76	8.16	9.37	6.26	6.92	8.15	6.56	3.25	3.13
Iceberg lettuce (\$/crt.) 1/	5.92	6.29	5.08	7.58	4.52	4.87	3.92	2.90	5.62	6.18
Tomatoes (\$/crt.) 2/	7.40	8.69	8.52	10.45	17.00	11.40	4.17	5.81	4.55	3.98
Wholesale price index, 10 canned veg. (1977=100)	137	138	145	147	142	143	144	143	143	143
Grower price index, fresh commercial veg. (1977=100)	120	129	133	141	158	118	106	89	125	135

1/ Std. carton 24's f.o.b. shipping point. 2/ 5 x 6 - 6 x 6, f.o.b. Fla-Cal.

## Tobacco

	Annual			1984	1985					
	1982	1983	1984	Aug	Mar	Apr	May	June	July	Aug
Prices at auctions 1/										
Flue-cured (cts./lb.)	178.6	177.9	181.0	1.74	---	---	---	---	---	1.61
Burley (cts./lb.)	180.3	179.5	187.6	---	---	---	---	---	---	---
Domestic consumption 2/										
Cigarettes (bil.)	634.0	600.0	600.4	62.5	58.2	52.7	52.0	57.4	n.a.	---
Large cigars (mil.)	3,667	3,605	3,491	323.6	248.3	240.9	293.4	294.0	n.a.	---

1/ Crop year July-June for flue-cured, October-September for burley. 2/ Taxable removals. n.a. = not available.

## Sugar

	Annual			1984	1985					
	1982	1983	1984	Aug	Mar	Apr	May	June	July	Aug
U.S. raw sugar price, N.Y. (cts./lb.) 1/	19.92	22.04	21.74	21.72	20.91	20.93	21.09	21.27	21.23	20.59
U.S. deliveries (thou. short tons) 2/	9,153	8,812	8,435	n.a.	1,910	n.a.	n.a.	1,952	n.a.	n.a.

1/ Spot price reported by (New York) Coffee, Sugar, and Cocoa Exchange, Inc. After May 1985, price based on nearby futures prices, Connel Commodities Company. 2/ Raw value. Quarterly data shown at end of quarter in March, June, Sept., & Dec. Excludes Hawaii. n.a. = not available.

## Coffee

	Annual			1984	1985					
	1982	1983	1984	Aug	Mar	Apr	May	June	July	Aug p
Composite green price, N.Y. (cts./lb.)	132.00	131.51	142.95	143.66	136.31	134.61	134.64	134.83	125.70	124.99
Imports, green bean equivalent (mil. lb.) 1/	2,352	2,260	2,414	241	227	193	175	235	166	238
	Annual			1983	1984			1985		
	1982	1983	1984	Oct-Dec	Jan-Mar	Apr-June	July-Sept	Oct-Dec	Jan-Mar	Apr-June p
Roastings (mil. lb.) 2/	2,293	2,238	2,287	650	575	518	557	637	573	490

1/ Green and processed coffee. 2/ Instant soluble and roasted coffee. p = preliminary.



# Supply and Utilization: Crops

## Supply and utilization: domestic measure<sup>1</sup>

	Area		Yield	Production	Total supply 2/	Feed and residual	Other domestic use	Exports	Total use	Ending stocks	Farm price 3/
	Planted	Harvested									
	Mil. acres	Bu/acre					Mil. bu				\$/bu
<b>Wheat</b>											
1981/82	88.3	80.6	34.5	2,785	3,777	135	712	1,771	2,618	1,159	3.65
1982/83	86.2	77.9	35.5	2,765	3,932	195	713	1,509	2,417	1,515	3.55
1983/84*	76.4	61.4	39.4	2,420	3,939	376	735	1,429	2,540	1,399	3.53
1984/85*	79.2	66.9	38.8	2,595	4,003	412	743	1,424	2,579	1,424	3.38
1985/86*	—	—	—	2,419	3,848	300	760	1,050	2,110	1,738	3.00-3.20
<b>Rice</b>											
	Mil. acres	lb/acre					Mil. cwt (rough equiv.)				\$/cwt
1981/82	3.83	3.79	4,819	182.7	199.6	4/ 9.0	59.6	82.0	150.6	49.0	9.05
1982/83	3.30	3.26	4,710	153.6	203.4	4/ 8.9	54.0	68.9	131.8	71.5	8.11
1983/84*	2.19	2.17	4,598	99.7	171.9	4/ 5.6	49.1	70.3	125.0	46.9	8.76
1984/85*	2.80	2.78	4,926	137.0	185.4	4/ 6.2	52.4	62.1	120.7	64.7	8.25
1985/86*	2.47	2.43	5,426	131.9	198.6	4/ 6.0	54.0	57.0	117.0	81.6	7.75-8.75
<b>Corn</b>											
	Mil. acres	Bu/acre					Mil. bu				\$/bu
1981/82	84.1	74.5	108.9	8,119	9,154	4,202	812	1,967	6,980	2,174	2.50
1982/83	81.9	72.7	113.2	8,235	10,410	4,522	898	1,870	7,290	3,120	2.68
1983/84*	60.2	51.5	81.1	4,175	7,297	3,736	973	1,865	6,574	723	3.25
1984/85*	80.4	71.8	106.6	7,656	8,382	4,150	1,065	1,850	7,065	1,317	2.65
1985/86*	83.2	74.8	115.1	8,603	9,921	4,325	1,120	1,625	7,070	2,851	2.35-2.55
<b>Sorghum</b>											
	Mil. acres	Bu/acre					Mil. bu				\$/bu
1981/82	15.9	13.7	64.0	876	984	428	11	249	688	296	2.38
1982/83	16.0	14.1	59.1	835	1,131	507	10	214	731	400	2.52
1983/84*	11.9	10.0	48.7	488	888	381	10	246	637	251	2.84
1984/85*	17.2	15.3	56.4	866	1,117	525	20	285	830	287	2.40
1985/86*	17.9	16.2	69.6	1,127	1,414	550	20	275	845	569	2.15-2.35
<b>Barley</b>											
	Mil. acres	Bu/acre					Mil. bu				\$/bu
1981/82	9.6	9.0	52.4	474	620	198	174	100	473	148	2.44
1982/83	9.5	9.0	57.2	516	675	241	170	47	458	217	2.22
1983/84*	10.4	9.7	52.3	509	733	283	169	92	544	189	2.50
1984/85*	11.9	11.2	53.4	597	796	299	172	77	548	248	2.30
1985/86*	13.1	11.8	50.9	599	857	300	170	60	530	327	1.95-2.15
<b>Oats</b>											
	Mil. acres	Bu/acre					Mil. bu				\$/bu
1981/82	13.6	9.4	54.2	510	688	453	76	7	536	152	1.89
1982/83	14.0	10.3	57.8	593	749	441	85	3	529	220	1.49
1983/84*	20.3	9.1	52.6	477	727	466	78	2	546	181	1.67
1984/85*	12.4	8.1	58.1	472	687	432	74	1	507	180	1.71
1985/86*	13.1	8.8	61.4	537	737	425	80	2	507	230	1.20-1.40
<b>Soybeans</b>											
	Mil. acres	Bu/acre					Mil. bu				\$/bu
1981/82	67.8	66.4	30.1	2,000	2,318	5/ 93	1,030	929	2,052	266	6.04
1982/83	70.9	69.4	31.5	2,190	2,444	5/ 86	1,108	905	2,099	345	5.69
1983/84*	63.8	62.5	26.2	1,636	1,981	5/ 79	983	743	1,805	176	7.81
1984/85*	67.7	66.1	28.2	1,861	2,037	5/ 91	1,030	598	1,719	318	5.85
1985/86*	—	—	—	2,108	2,426	5/ 86	1,065	675	1,826	600	5.05-5.35
<b>Soybean oil</b>											
							Mil. lbs				¢/lb
1981/82	—	—	—	10,979	12,715	—	9,535	2,077	11,612	1,103	19.0
1982/83	—	—	—	12,041	13,144	—	9,858	2,025	11,883	1,261	20.6
1983/84*	—	—	—	10,872	12,133	—	9,588	1,824	11,412	721	30.6
1984/85*	—	—	—	11,469	12,200	—	9,800	1,700	11,500	700	29.5
1985/86*	—	—	—	11,610	12,310	—	9,950	1,500	11,450	860	22.0-26.0
<b>Soybean meal</b>											
							Thou. tons				\$/ton
1981/82	—	—	—	24,634	24,797	—	17,714	6,908	24,622	175	183
1982/83	—	—	—	26,714	26,889	—	19,306	7,109	26,415	474	187
1983/84*	—	—	—	22,756	23,230	—	17,615	5,360	22,977	255	188
1984/85*	—	—	—	24,515	24,770	—	19,450	4,900	24,350	420	125
1985/86*	—	—	—	25,190	25,610	—	20,200	5,000	25,200	410	110-140

See footnotes at end of table.

# Supply and utilization: domestic measure, continued

	Area										
	Planted	Harvested	Yield	Production	Total supply 2/	Feed and residual	Other domestic use	Exports	Total use	Ending stocks	Farm price 3/
	Mil. acres	lb/acre					Mil. bales				¢/lb
Cotton											
1981/82	14.3	13.8	542	15.6	18.3	—	5.3	6.6	11.8	6/ 6.6	54.0
1982/83	11.3	9.7	590	12.0	18.6	—	5.5	5.2	10.7	6/ 7.9	59.1
1983/84*	7.9	7.3	508	7.8	15.7	—	5.9	6.8	12.7	6/ 2.8	66.4
1984/85*	11.1	10.4	600	13.0	15.8	—	5.5	6.2	11.7	6/ 4.1	8/ 58.7
1985/86*	10.7	10.4	633	13.6	17.7	—	5.7	3.5	9.2	6/ 8.6	—

# Supply and utilization: metric measure<sup>7</sup>

	Mil. hectares		Metric tons/ha	Mil. metric tons						\$/metric ton	
Wheat											
1981/82	35.7	32.6	2.32	75.8	102.8	3.7	19.4	48.2	71.3	31.5	134
1982/83	34.9	31.5	2.39	75.3	107.0	5.3	19.4	41.1	65.8	41.2	130
1983/84*	30.9	24.8	2.65	65.9	107.2	10.2	20.0	38.9	69.1	38.1	130
1984/85*	32.1	27.1	2.61	70.6	108.9	11.2	20.2	38.7	70.2	38.7	124
1985/86*	—	—	—	65.8	104.7	8.2	20.7	28.6	57.4	47.3	110-117
Rice											
1981/82	1.5	1.5	5.40	8.3	9.0	4/ 0.4	2.7	3.7	6.8	2.2	200
1982/83	1.3	1.3	5.28	7.0	9.2	4/ 0.4	2.5	3.1	6.0	3.2	179
1983/84*	0.9	0.9	5.15	4.5	7.8	4/ 0.2	2.2	3.2	5.7	2.1	193
1984/85*	1.1	1.1	5.52	6.2	8.4	4/ 0.3	2.4	2.8	5.5	2.9	182
1985/86*	1.0	1.0	5.98	6.0	9.1	4/ 0.3	2.5	2.6	5.3	3.7	171-193
Corn											
1981/82	34.0	30.1	6.85	206.2	232.5	106.7	20.6	50.0	177.3	55.2	98
1982/83	33.1	29.4	7.12	209.2	264.4	114.9	22.8	47.5	185.2	79.2	106
1983/84*	24.4	20.8	5.10	106.0	185.4	94.9	24.7	47.4	167.0	18.4	128
1984/85*	32.5	29.1	6.68	194.5	212.9	105.4	27.1	47.0	179.5	33.5	104
1985/86*	33.7	30.3	7.21	218.5	252.0	109.9	28.4	41.3	179.6	72.4	93-100
Feed Grains											
1981/82	49.9	43.1	5.71	246.2	281.1	128.5	25.8	58.6	212.9	68.2	—
1982/83	49.1	42.9	5.83	250.2	318.7	139.4	28.0	54.0	221.4	97.3	—
1983/84*	41.6	32.5	4.20	136.4	234.4	117.5	29.8	55.7	202.9	31.5	—
1984/85*	49.3	43.1	5.48	236.3	268.6	131.5	32.4	55.9	219.8	48.8	—
1985/86*	51.6	45.1	5.94	268.0	317.3	136.5	33.8	49.6	219.9	97.3	—
Soybeans											
1981/82	27.4	26.9	2.03	54.4	63.1	5/ 2.5	28.0	25.3	55.8	7.2	222
1982/83	28.7	28.1	2.15	59.6	66.5	5/ 2.4	30.2	24.6	57.1	9.4	209
1983/84*	25.8	25.3	1.23	44.5	53.9	5/ 2.2	26.8	20.2	49.1	4.8	286
1984/85*	27.4	26.7	1.14	50.6	55.4	5/ 2.4	28.0	16.3	46.8	8.6	214
1985/86*	—	—	—	57.4	66.0	5/ 2.3	28.9	18.4	49.7	16.3	186-197
Soybean oil											
1981/82	—	—	—	4.98	5.77	—	4.33	.94	5.27	.50	419
1982/83	—	—	—	5.46	5.96	—	4.47	.92	5.39	.57	454
1983/84*	—	—	—	4.93	5.50	—	4.35	.83	5.17	.32	675
1984/85*	—	—	—	5.20	5.53	—	4.44	.77	5.21	.31	650
1985/86*	—	—	—	5.26	5.58	—	4.51	.68	5.19	.39	485-573
Soybean meal											
1981/82	—	—	—	22.36	22.51	—	16.08	6.27	22.35	.16	201
1982/83	—	—	—	24.24	24.39	—	17.92	6.45	23.96	.43	206
1983/84*	—	—	—	20.64	21.07	—	15.98	4.86	20.84	.23	207
1984/85*	—	—	—	22.24	22.47	—	17.64	4.45	22.09	.38	137
1985/86*	—	—	—	22.85	23.23	—	18.32	5.54	22.86	.37	121-154
Cotton											
1981/82	5.8	5.7	.60	3.41	3.99	—	1.15	1.43	2.58	6/ 1.44	1.19
1982/83	4.6	3.9	.66	2.60	4.05	—	1.20	1.13	2.33	6/ 1.73	1.30
1983/84*	3.2	3.0	.57	1.69	3.42	—	1.29	1.48	2.77	6/ .60	1.46
1984/85*	4.5	4.2	.67	2.83	3.44	—	1.21	1.35	2.56	6/ .89	1.29
1985/86*	4.3	4.2	.71	2.97	3.86	—	1.25	.76	2.01	6/ 1.87	—

\*October 10, 1985 Supply and Demand Estimates. 1/ Marketing year beginning June 1 for wheat, barley, and oats, August 1 for cotton and rice, September 1 for soybeans, and October 1 for corn, sorghum, soybean meal, and soybean oil. 2/ Includes imports. 3/ Season average. 4/ Statistical discrepancy. 5/ Includes seed. 6/ Upland and extra long staple. Stock estimates based on Census Bureau data which results in an unaccounted difference between supply and use estimates and changes in ending stocks. 7/ Conversion factors: Hectare (ha.) = 2.471 acres, 1 metric ton = 2204.622 pounds, 36.7437 bushels of wheat or soybeans, 39.3679 bushels of corn or sorghum, 45.9296 bushels of barley, 68.8944 bushels of oats, 22.046 cwt. of rice, and 4.59 480-pound bales of cotton. 8/ Through April 30, 1985 (weighted avg.).

# General Economic Data

## Gross national product and related data

	Annual			1984			1985	
	1982	1983	1984	II	III	IV	I	II r
\$ Bil. (Quarterly data seasonally adjusted at annual rates)								
Gross national product 1/	3,069.3	3,304.8	3,662.8	3,644.7	3,694.6	3,758.7	3,810.6	3,853.1
Personal consumption expenditures	1,984.9	2,155.9	2,341.8	2,332.7	2,361.4	2,396.5	2,446.5	2,493.0
Durable goods	245.1	279.8	318.8	320.7	317.2	326.3	334.8	339.2
Nondurable goods	757.5	801.7	856.9	858.3	861.4	866.5	877.3	891.9
Clothing & shoes	118.8	127.0	140.2	142.2	139.3	143.2	145.5	149.2
Food & beverages	392.8	416.5	443.6	442.1	448.6	449.8	457.3	463.9
Services	982.2	1,074.4	1,166.1	1,153.7	1,182.8	1,203.8	1,234.4	1,261.9
Gross private domestic investment	414.9	471.6	637.8	627.0	662.8	637.8	646.8	643.2
Fixed investment	441.0	485.1	579.6	576.4	591.0	601.1	606.1	625.3
Nonresidential	349.6	352.9	425.7	420.8	435.7	447.7	450.9	467.3
Residential	91.4	132.2	153.9	155.6	155.3	153.5	155.2	158.0
Change in business inventories	-26.1	-13.5	58.2	50.6	71.8	36.6	40.7	17.9
Net exports of goods & services	19.0	-8.3	-64.2	-58.7	-90.6	-56.0	-74.5	-94.0
Exports	348.4	336.2	364.3	362.4	368.6	367.2	360.7	347.7
Imports	329.4	344.4	428.5	421.1	459.3	423.2	435.2	441.6
Government purchases of goods & services	650.5	685.5	747.4	743.7	761.0	780.5	791.9	810.9
Federal	258.9	269.7	295.4	296.4	302.0	315.7	319.9	324.2
State & local	391.5	415.8	452.0	447.4	458.9	464.8	472.0	486.7
1972 \$Bil. (Quarterly data seasonally adjusted at annual rates)								
Gross national product	1,480.0	1,534.7	1,639.3	1,638.8	1,645.2	1,662.4	1,663.5	1,671.3
Personal consumption expenditures	963.3	1,009.2	1,062.4	1,064.2	1,065.9	1,075.4	1,089.1	1,102.1
Durable goods	140.5	157.5	178.0	178.6	177.0	182.9	187.0	190.1
Nondurable goods	363.1	376.3	393.5	396.6	395.5	395.0	398.6	403.2
Clothing & shoes	84.2	88.5	96.5	99.1	95.9	96.9	97.9	99.8
Food & beverages	182.3	188.9	193.4	193.6	195.6	194.7	196.8	199.8
Services	459.8	475.4	490.8	488.9	493.5	497.5	503.5	508.7
Gross private domestic investment	194.3	221.0	289.9	283.9	300.2	289.9	292.1	289.5
Fixed investment	204.7	224.6	265.1	263.7	269.6	273.1	273.0	281.2
Nonresidential	166.9	171.0	204.9	202.9	209.5	213.8	213.0	220.3
Residential	37.9	53.7	60.2	60.8	60.1	59.2	60.0	60.9
Change in business inventories	-10.4	-3.6	24.8	20.3	30.6	16.8	19.1	8.3
Net exports of goods & services	29.7	12.6	-15.0	-11.4	-27.0	-13.4	-28.4	-33.8
Exports	147.6	139.5	146.0	144.7	147.4	147.1	143.7	137.9
Imports	118.0	126.9	161.1	156.2	174.4	160.5	172.1	171.8
Government purchases of goods & services	292.7	291.9	302.1	302.1	306.1	310.5	310.7	313.5
Federal	117.0	116.2	122.5	123.2	125.0	129.6	129.8	129.7
State & local	175.7	175.7	179.6	178.9	181.1	180.9	180.9	183.9
New plant & equipment expenditures (\$bil.)	310.58	304.78	354.44	349.97	361.48	368.29	371.16	387.83
Implicit price deflator for GNP (1972=100)	207.38	215.34	223.43	222.40	224.57	226.10	229.07	230.55
Disposable income (\$bil.)	2,180.5	2,340.1	2,576.8	2,554.3	2,606.4	2,644.5	2,654.8	2,726.5
Disposable income (1972 \$bil.)	1,058.3	1,095.4	1,169.0	1,165.3	1,176.5	1,186.7	1,181.9	1,205.3
Per capita disposable income (\$)	9,385	9,977	10,887	10,806	11,000	11,133	11,154	11,432
Per capita disposable income (1972 \$)	4,555	4,670	4,939	4,930	4,965	4,996	4,965	5,054
U.S. population, total, incl. military abroad (mil.)	232.3	234.5	236.7	236.4	237.0	237.6	238.1	238.5
Civilian population (mil.)	230.2	232.3	234.4	234.2	234.8	235.3	235.8	236.3

See footnotes at end of next table.

## Selected monthly indicators

	Annual			1984	1985					
	1982	1983	1984	Aug	Mar	Apr	May	June	July	Aug p
Monthly data seasonally adjusted except as noted										
Industrial production, total 2/ (1977=100)	103.1	109.2	121.8	123.5	124.0	124.1	124.1	124.4	124.4	124.8
Manufacturing (1977=100)	102.2	110.2	123.9	125.9	126.3	126.6	126.6	126.7	126.8	127.5
Durable (1977=100)	99.9	107.7	124.8	127.7	128.0	128.2	127.9	127.7	127.5	128.4
Nondurable (1977=100)	105.5	113.7	122.5	123.2	123.9	124.3	124.7	125.4	125.8	126.1
Leading economic indicators 1/ 3/ (1967=100)	136.8	156.0	165.7	164.4	167.9	166.9	167.4	167.8	169.0	170.1
Employment 4/ (mil. persons)	99.5	100.8	105.0	105.1	107.1	106.9	107.0	106.4	106.9	107.2
Unemployment rate 4/ (%)	9.7	9.6	7.5	7.5	7.3	7.3	7.3	7.3	7.3	7.0
Personal income 1/ (\$ bil., annual rate)	2,584.6	2,744.2	3,012.1	3,045.8	3,156.2	3,184.7	3,163.7	3,175.7	3,189.7	3,198.9
Hourly earnings in manufacturing 4/ 5/ (%)	8.49	8.83	9.17	9.15	9.45	9.48	9.48	9.50	9.52	9.50
Money stock-M1 (daily avg.) (\$bil.) 2/	6/ 480.8	6/ 528.0	6/ 558.5	548.9	572.1	574.9	581.6	591.2	595.8	605.9
Money stock-M2 (daily avg.) (\$bil.) 2/	6/ 1,954.9	6/ 2,188.8	6/ 2,371.7	2,292.8	2,429.6	2,427.7	2,445.0	2,473.0	2,490.6	2,513.7
Three-month Treasury bill rate 2/ (%)	10.606	8.63	9.58	10.49	8.57	8.00	7.56	7.01	7.05	7.18
Assu corporate bond yield (Moody's) 5/ 7/ (%)	13.79	12.04	12.71	12.87	12.56	12.23	11.72	10.94	10.97	11.05
Interest rate on new home mortgages 5/ 8/ (%)	15.14	12.57	12.38	12.43	11.92	12.05	12.01	11.75	11.34	11.24
Housing starts, private (incl. farm) (thou.)	1,062	1,703	1,750	1,590	1,889	1,933	1,681	1,701	1,647	1,749
Auto sales at retail, total 1/ (mil.)	8.0	9.2	10.4	10.1	10.7	11.1	11.3	10.3	10.3	12.6
Business sales, total 1/ (\$ bil.)	344.7	368.7	411.7	413.3	420.8	426.5	428.3	418.4	422.2 p	—
Business inventories, total 1/ (\$ bil.)	9/ 509.2	9/ 520.3	9/ 573.4	561.7	578.8	580.2	577.8	579.7	579.8 p	—
Sales of all retail stores (\$ bil.) 10/	89.3	97.9	108.1	107.4	111.9	115.4	114.9	113.7	113.9 p	116.1
Durable goods stores (\$ bil.)	28.1	33.0	38.7	38.1	40.8	42.9	42.8	42.1	42.2 p	43.9
Nondurable goods stores (\$ bil.)	61.3	64.8	69.4	69.3	71.1	72.4	72.1	71.7	71.7 p	72.2
Food stores (\$ bil.)	20.4	21.2	22.5	22.6	23.0	23.5	23.3	23.4	23.3 p	23.1
Eating & drinking places (\$ bil.)	8.7	9.6	10.3	10.6	10.8	10.8	11.0	10.9	10.9 p	10.8
Apparel & accessory stores (\$ bil.)	4.6	5.0	5.6	5.4	6.0	5.9	5.9	5.9	5.8 p	5.9

1/ Department of Commerce. 2/ Board of Governors of the Federal Reserve System. 3/ Composite Index of 12 leading indicators. 4/ Department of Labor, Bureau of Labor Statistics. 5/ Not seasonally adjusted. 6/ December of the year listed. 7/ Moody's Investors Service. 8/ Federal Home Loan Bank Board. 9/ Book value, end of period. 10/ Adjusted for seasonal variations, holidays, and trading day differences. p = preliminary. r = revised.

## U.S. Agricultural Trade

### Prices of principal U.S. agricultural trade products

	Annual			1984	1985					
	1982	1983	1984	Aug	Mar	Apr	May	June	July	Aug
Export commodities										
Wheat, f.o.b. vessel, Gulf ports (\$/bu.)	4.38	4.30	4.17	4.18	3.97	3.97	3.77	3.65	3.53	3.39
Corn, f.o.b. vessel, Gulf ports (\$/bu.)	2.80	3.49	3.50	3.56	3.10	3.10	3.00	2.97	2.96	2.68
Grain sorghum, f.o.b. vessel, Gulf ports (\$/bu.)	2.81	3.34	3.00	2.78	2.99	3.04	2.90	2.72	2.54	2.36
Soybeans, f.o.b. vessel, Gulf ports (\$/bu.)	6.36	7.31	7.38	6.98	6.28	6.29	6.03	6.03	5.86	5.51
Soybean oil, Decatur (cts./lb.)	18.33	23.51	30.75	28.88	31.35	34.07	32.41	32.42	28.84	23.63
Soybean meal, Decatur (\$/ton)	179.70	200.91	166.80	151.35	125.76	117.86	111.98	110.80	116.39	121.97
Cotton, 10 market avg. spot (cts./lb.)	60.10	68.68	68.37	63.01	60.18	61.67	60.11	59.76	59.55	57.87
Tobacco, avg. price of auction (cts./lb.)	172.20	173.96	173.99	167.79	178.14	177.56	175.84	175.84	175.84	165.14
Rice, f.o.b. mill, Houston (\$/cwt.)	18.89	19.39	19.47	19.38	18.75	18.75	18.75	18.75	18.75	18.63
Inedible tallow, Chicago (cts./lb.)	12.85	13.41	17.47	16.25	17.50	17.70	16.19	14.31	13.60	12.06
Import commodities										
Coffee, N.Y. spot (\$/lb.)	1.41	1.33	1.46	1.45	1.41	1.38	1.38	1.40	1.34	1.33
Sugar, N.Y. spot (cts./lb.)	19.86	22.04	21.74	21.72	20.90	20.97	21.09	n.a.	n.a.	n.a.
Rubber, N.Y. spot (cts./lb.)	45.48	56.19	49.70	46.45	41.45	42.13	40.93	41.64	41.55	42.47
Cocoa beans, N.Y. (\$/lb.)	.75	.92	1.06	.99	.99	1.02	.96	.92	.96	.98
Bananas, (\$/40 lb. box)	6.80	7.93	6.70	6.16	8.23	8.79	8.30	6.90	5.82	7.65

n.a. = not available.



# U.S. agricultural exports

	October-August				August			
	1983/84	1984/85	1983/84	1984/85	1984	1985	1984	1985
	Thou. units	Thou. units	\$ Thou.	\$ Thou.	Thou. units	Thou. units	\$ Thou.	\$ Thou.
Animals, live (no.)	679	952	191,630	218,017	62	69	25,679	24,323
Meats & preps., excl. poultry (mt)	386	393	850,320	830,400	34	42	78,491	83,413
Dairy products (mt)	365	578	344,802	382,675	43	52	38,196	45,055
Poultry meats (mt)	204	215	256,864	237,963	20	21	22,825	22,459
Fats, oils, & greases (mt)	1,277	1,118	641,739	567,429	114	105	60,791	48,232
Hides & skins incl. furskins	—	—	1,223,567	1,230,903	—	—	99,965	98,721
Cattle hides, whole (no.)	22,450	23,422	928,309	938,777	1,966	2,205	87,061	86,481
Mink pelts (no.)	2,502	2,153	66,047	58,609	38	37	959	842
Grains & feeds (mt)	97,024	88,267	15,601,354	12,534,923	8,840	6,068	1,370,112	835,442
Wheat (mt)	35,093	26,559	5,499,927	3,998,034	3,979	2,364	595,469	331,391
Wheat flour (mt)	1,040	717	226,560	159,114	23	32	6,643	6,691
Rice (mt)	2,024	1,743	799,933	602,673	191	178	71,776	56,193
Feed grains, excl. products (mt)	51,513	52,251	7,622,225	6,496,804	3,996	2,829	576,786	323,904
Feeds & fodders (mt)	6,597	5,988	1,147,856	921,461	596	586	95,639	89,682
Other grain products (mt)	757	1,011	304,853	356,837	55	78	23,799	27,582
Fruits, nuts, and preps. (mt)	1,781	1,763	1,445,452	1,541,291	129	148	117,549	154,005
Fruit juices incl. froz. (hl)	5,199	4,307	205,917	184,282	421	358	17,381	16,285
Vegetables & preps. (mt)	1,428	1,332	933,020	884,687	89	87	62,730	63,678
Tobacco, unmanufactured (mt)	209	238	1,325,856	1,476,346	9	18	53,501	116,307
Cotton, excl. linters (mt)	1,420	1,233	2,290,039	1,881,097	104	45	177,336	64,959
Seeds (mt)	234	270	302,776	333,470	13	17	18,774	20,737
Sugar, cane or beet (mt)	272	322	70,610	59,754	15	48	4,459	7,150
Oilseeds & products (mt)	26,169	22,443	8,335,630	5,866,130	1,184	1,150	355,238	289,252
Oilseeds (mt)	19,932	16,990	6,106,191	4,124,483	862	750	245,051	174,621
Soybeans (mt)	18,749	15,763	5,597,287	3,695,759	835	716	231,055	157,836
Protein meal (mt)	4,902	4,227	1,182,468	785,758	267	337	56,113	60,465
Vegetable oils (mt)	1,334	1,227	1,046,971	955,888	55	62	54,074	54,166
Essential oils (mt)	10	11	89,845	98,702	1	1	8,532	9,032
Other	409	414	285,143	293,664	22	27	23,214	25,132
Total	—	—	35,109,240	29,313,045	—	—	2,586,857	1,982,821

— = Not available.

## Indexes of nominal and real trade-weighted dollar exchange rates

	1984			1985								
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept
April 1971=100												
Total agriculture												
Nominal 1/	938.9	1,067.0	1,152.2	1,281.5	1,404.0	1,525.5	1,706.5	1,861.0	2,041.6	2,216.7	2,392.4	2,583.3
Real 2/	103.5	102.5	104.2	106.1	108.5	108.3	104.6*	105.2*	105.5*	103.2*	101.8*	102.9*
Soybeans												
Nominal	175.6	175.2	180.6	185.1	191.9	194.5	187.8	190.3	197.3	203.2	201.4	209.7
Real	101.6	99.6	102.1	103.4	107.4	107.3	101.8*	102.5*	101.8*	98.5*	96.1*	97.4*
Wheat												
Nominal	4,612.4	5,378.4	5,864.8	6,598.2	7,285.2	7,988.1	9,092.9	9,996.1	11,011.6	11,995.8	13,007.8	14,116.0
Real	105.2	106.4	106.9	108.9	109.6	108.8	109.0*	110.2*	111.7*	110.7*	110.3*	110.8*
Corn												
Nominal	897.8	1,013.2	1,092.5	1,211.9	1,326.1	1,437.7	1,598.6	1,740.2	1,905.4	2,067.3	2,226.7	2,402.8
Real	104.1	102.5	104.7	106.1	109.4	109.4	104.4*	105.3*	104.7*	101.9*	99.9*	101.2*
Cotton												
Nominal	197.0	197.6	207.0	209.3	211.5	212.9	211.3	212.8	212.8	213.3	213.0	215.1
Real	97.8	98.0	99.1	100.0	101.6	102.3	101.0*	101.8*	101.6*	100.4*	100.1*	101.1*

1/ Nominal values are percentage changes in currency units per dollar, weighted by proportion of agricultural exports from the United States. An increase indicates that the dollar has appreciated. 2/ Real values are computed in the same way as the nominal series, adjusted for CPI changes in the countries involved.

\*Preliminary; assumes the same rate of CPI increase/decrease as the previous six months.

# U.S. agricultural imports

	October-August				August			
	1983/84	1984/85	1983/84	1984/85	1984	1985	1984	1985
	Thou. units		\$ Thou.		Thou. units		\$ Thou.	
Animals, live (no.)	1,765	2,026	549,441	539,035	167	103	48,830	33,556
Meats & preps., excl. poultry (mt)	820	1,020	1,751,325	2,018,616	90	105	186,456	189,442
Beef & veal (mt)	498	607	1,058,139	1,174,731	56	70	115,273	121,671
Pork (mt)	298	383	636,723	778,104	31	33	66,144	62,631
Dairy products (mt)	345	372	694,694	688,117	40	28	66,811	59,160
Poultry and products	—	—	112,641	84,043	—	—	9,181	6,002
Fats, oils, & greases (mt)	16	19	11,556	16,551	1	2	1,203	1,250
Hides & skins, incl. furskins	—	—	201,545	222,392	—	—	12,244	12,650
Wool, unmanufactured (mt)	55	39	182,660	132,524	3	3	10,850	8,979
Grains & feeds (mt)	1,620	1,870	483,204	541,316	167	131	42,942	42,869
Fruits, nuts, & preps., ex juices (mt)	3,779	4,117	1,516,818	1,731,191	259	306	113,955	134,562
Bananas & plantains (mt)	2,547	2,738	622,807	681,220	193	222	48,069	54,739
Fruit juices (hl)	24,168	32,524	584,519	929,975	1,761	2,062	48,757	54,868
Vegetables & preps. (mt)	1,982	2,018	1,236,845	1,266,427	99	101	79,719	72,383
Tobacco, unmanufactured (mt)	175	176	517,999	513,020	17	21	48,319	63,045
Cotton, unmanufactured (mt)	27	29	15,122	16,220	4	1	2,572	1,052
Seeds (mt)	80	88	91,787	83,460	2	3	4,837	4,565
Nursery stock & cut flowers	—	—	258,177	277,042	—	—	18,460	16,255
Sugar, cane or beet (mt)	2,676	2,124	1,078,404	829,578	193	172	82,492	56,047
Oilseeds & products (mt)	1,058	1,144	727,893	722,465	79	98	75,456	56,548
Oilseeds (mt)	214	226	90,409	89,519	10	9	5,222	3,585
Protein meal (mt)	109	147	19,687	15,610	2	13	325	1,230
Vegetable oils (mt)	735	771	617,796	617,535	67	76	69,908	51,734
Beverages excl. fruit juices (hl)	12,704	14,061	1,405,182	1,472,366	1,406	1,404	138,654	141,870
Coffee, tea, cocoa, spices (mt)	1,631	1,703	4,362,177	4,538,430	150	159	428,685	421,887
Coffee, incl. products (mt)	1,039	1,017	3,038,455	2,937,755	108	108	328,813	297,271
Cocoa beans & products (mt)	408	502	937,260	1,188,092	28	38	69,679	94,920
Rubber & allied gums (mt)	740	736	785,423	631,716	58	47	59,843	38,134
Other	—	—	767,064	814,878	—	—	75,850	74,652
<b>Total</b>	—	—	<b>17,334,477</b>	<b>18,069,362</b>	—	—	<b>1,556,116</b>	<b>1,489,778</b>

— Not available.

## Trade balance

	October-August		August	
	1983/84	1984/85	1984	1985
	\$ Mil.			
<b>Exports</b>				
Agricultural	35,109	29,313	2,587	1,983
Nonagricultural	155,832	164,581	14,267	14,123
Total 1/	190,941	193,894	16,854	16,106
<b>Imports</b>				
Agricultural	17,334	18,069	1,556	1,490
Nonagricultural	269,051	284,065	25,336	24,651
Total 2/	286,385	302,134	26,892	26,141
<b>Trade balance</b>				
Agricultural	17,775	11,244	1,031	493
Nonagricultural	-113,219	-119,484	-11,069	-10,528
Total	-95,444	-108,240	-10,038	-10,035

1/ Domestic exports including Department of Defense shipments (F.A.S. value). 2/ Imports for consumption (customs value).

# U.S. agricultural exports by regions

Region & country	October-August		August		Change from year earlier	
	1983/84	1984/85	1984	1985	October-Aug	Aug
	\$ Mil.				Percent	
Western Europe	8,707	6,712	402	452	-23	12
European Community	6,273	4,986	307	315	-21	3
Belgium-Luxembourg	774	430	63	41	-45	-35
France	491	370	16	20	-25	25
Germany, Fed. Rep.	1,181	848	33	66	-28	100
Italy	733	654	31	35	-11	13
Netherlands	2,119	1,797	85	91	-15	7
United Kingdom	682	582	34	37	-15	7
Other Western Europe	2,434	1,726	95	136	-29	43
Portugal	680	471	26	47	-31	83
Spain	464	12	0	0	-98	0
Switzerland	297	230	14	8	-23	-42
Eastern Europe	700	508	67	33	-27	-51
Germany Dem. Rep.	127	80	7	0	-37	-98
Poland	187	120	19	6	-36	-67
USSR	2,189	2,508	226	19	15	-92
Asia	14,099	11,150	1,073	835	-21	-22
West Asia (Mideast)	1,680	1,356	155	88	-19	-43
Turkey	191	127	19	2	-33	-87
Iraq	381	340	42	4	-11	-89
Israel	330	284	18	31	-14	74
Saudia Arabia	442	358	48	36	-19	-25
South Asia	795	564	19	35	-29	90
India	356	120	10	8	-66	-22
Pakistan	268	214	8	20	-20	138
East & Southeast Asia	3,204	2,458	221	207	-23	-6
China	615	214	67	23	-65	-66
Taiwan	1,337	1,255	124	77	-6	-38
Japan	6,469	5,303	487	405	-18	-17
Korea, Rep.	1,708	1,302	116	83	-24	-28
Hong Kong	377	367	33	43	-3	27
Indonesia	413	199	27	23	-52	-14
Philippines	255	255	20	32	0	62
Africa	2,555	2,371	198	147	-7	-26
North Africa	1,337	1,130	118	38	-15	-68
Morocco	301	142	11	6	-53	-48
Algeria	138	212	4	4	54	-15
Egypt	772	714	77	26	-8	-67
Sub-Sahara	1,218	1,241	80	109	2	36
Nigeria	317	350	26	19	10	-26
Rep. S. Africa	513	184	17	12	-64	-32
Latin America & Caribbean	4,892	4,279	453	361	-13	-20
Brazil	397	533	55	35	34	-37
Caribbean Islands	754	707	67	67	-6	1
Colombia	206	218	17	18	6	8
Mexico	1,855	1,523	150	116	-18	-23
Peru	220	91	16	2	-59	-88
Venezuela	731	666	60	72	-9	21
Canada	1,770	1,591	154	119	-10	-23
Oceania	197	194	13	18	-2	39
Total	35,109	29,313	2,587	1,983	-17	-23

# World Agricultural Production

## World supply and utilization of major crops

	1979/80	1980/81	1981/82	1982/83	1983/84	1984/85 E	1985/86 P
	Mil. units						
<b>Wheat</b>							
Area (hectare)	227.6	236.9	238.7	237.5	229.1	231.1	231.2
Production (metric ton)	422.8	442.9	448.4	479.1	490.3	513.7	504.9
Exports (metric ton) 1/	86.0	94.1	101.3	98.6	102.9	107.6	90.3
Consumption (metric ton) 2/	443.5	445.7	441.4	467.9	486.5	499.4	490.6
Ending stocks (metric ton) 3/	80.4	78.2	85.1	96.4	100.2	114.6	128.8
<b>Coarse grains</b>							
Area (hectare)	341.1	342.4	350.2	339.2	333.9	340.7	345.2
Production (metric ton)	741.5	732.9	769.9	779.2	685.4	806.8	841.0
Exports (metric ton) 1/	98.8	743.0	96.6	89.9	92.9	100.7	93.4
Consumption (metric ton) 2/	740.3	742.1	739.8	753.6	757.7	779.3	795.0
Ending stocks (metric ton) 3/	91.6	82.8	112.9	138.6	66.3	93.7	139.8
<b>Rice, milled</b>							
Area (hectare)	143.1	144.4	145.1	141.2	144.8	145.2	145.8
Production (metric ton)	253.9	271.0	280.6	285.7	307.7	319.3	316.8
Exports (metric ton) 4/	12.7	13.1	11.8	11.9	12.6	11.6	11.6
Consumption (metric ton) 2/	257.8	272.3	281.5	289.6	307.7	315.8	315.4
Ending stocks (metric ton) 3/	23.4	22.1	21.3	17.3	17.3	20.8	22.2
<b>Total grains</b>							
Area (hectare)	711.8	723.8	733.9	717.8	707.8	717.0	722.2
Production (metric ton)	1,418.2	1,446.8	1,498.9	1,544.1	1,483.4	1,639.8	1,662.7
Exports (metric ton) 1/	197.5	215.2	209.7	200.5	208.4	219.9	195.3
Consumption (metric ton) 2/	1,441.9	1,461.0	1,462.7	1,511.0	1,551.9	1,594.5	1,601.0
Ending stocks (metric ton) 3/	195.4	183.2	219.3	252.3	183.8	229.1	290.8
<b>Oilseeds</b>							
Production (metric ton)	170.1	155.8	169.4	177.9	165.0	187.1	196.2
Trade (metric ton)	35.9	32.1	36.0	35.0	32.9	32.5	33.1
<b>Meals</b>							
Production (metric ton)	92.9	90.8	94.0	97.9	92.8	99.9	102.0
Trade (metric ton)	26.5	25.9	28.8	31.4	29.5	31.4	31.6
<b>Oils</b>							
Production (metric ton)	39.7	40.0	41.5	43.3	42.3	46.0	47.5
Trade (metric ton)	12.8	12.5	13.2	14.2	14.2	15.6	15.6
<b>Cotton</b>							
Area (hectare)	32.2	32.4	33.2	31.9	31.3	34.7	33.2
Production (bale)	65.2	64.8	70.8	67.5	67.8	86.1	81.2
Exports (bale)	23.1	19.7	20.2	19.4	19.2	20.5	19.5
Consumption (bale)	65.3	65.9	65.5	68.0	68.9	68.9	71.5
Ending stocks (bale)	24.0	24.1	25.4	25.2	24.9	41.6	51.0

E = Estimated. P = Projected. 1/ Excludes intra-EC trade. 2/ Where stocks data not available (excluding USSR), consumption includes stock changes. 3/ Stocks data are based on differing marketing years and do not represent levels at a given date. Data not available for all countries; includes estimated change in USSR grain stocks but not absolute level. 4/ Calendar year data. 1980 data correspond with 1979/80, etc.

## Transportation Data

### Rail rates; grain and fruit-vegetable shipments

	Annual			1984	1985					
	1982	1983	1984	Aug	Mar	Apr	May	June	July	Aug
<b>Rail freight rate Index 1/</b> (Dec 1984 = 100)										
All products	93.7	95.0	99.3	99.4	100.0	100.0	100.0	99.9 p	99.8 p	99.8 p
Farm products	92.4	94.0	98.7	98.5	99.5	99.5	99.9	98.5 p	97.5 p	97.7 p
Grain	93.4	94.0	98.6	98.4	99.3	99.3	99.3	97.5 p	96.4 p	96.4 p
Food products	93.7	94.8	99.1	99.2	100.0	100.0	100.1	100.1 p	100.0 p	100.1 p
<b>Grain</b>										
Rail carloadings (thou. cars) 2/	24.9	26.1	27.3	28.7	23.4	19.9	17.2	23.2	22.5	29.8
Barge shipments (mil. bu.) 3/	41.2	40.8	37.2	31.8	34.2	34.4	25.4	26.0	27.0	24.1
<b>Fresh fruit &amp; vegetable shipments</b>										
Piggy back (thou. cart.) 3/ 4/	387	545	568	497	602	641	852	764	630	479
Rail (thou. cart.) 3/ 4/	698	786	641	297	631	444	553	897	394	216
Truck (thou. cart.) 3/ 4/	7,849	7,786	7,861	7,793	7,334	8,584	10,023	10,419	8,530	7,882

1/ Department of Labor, Bureau of Labor Statistics, revised March 1985. 2/ Weekly average; from Association of American Railroads. 3/ Weekly average; from Agricultural Marketing Service, USDA. 4/ Preliminary data for 1985. p = preliminary.



## Food Supply and Use

### Per capita food consumption indexes(1967=100)<sup>1</sup>

	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984 2/
Meat, poultry, & fish	101.7	108.0	107.6	105.2	104.2	104.6	104.3	101.7	105.0	105.7
Meat	100.0	106.2	105.1	100.5	97.5	98.2	97.0	93.7	96.7	96.4
Poultry	107.9	115.2	118.4	124.3	134.6	134.6	138.3	141.5	144.3	148.8
Fish	113.7	118.4	118.6	125.1	121.7	118.9	120.5	114.2	122.1	126.8
Eggs	86.2	84.3	83.5	85.0	86.7	85.0	83.0	82.1	81.3	81.1
Dairy products	100.5	101.8	101.3	101.9	101.7	101.2	101.1	103.5	106.1	108.3
Fats & oils	104.0	108.0	104.5	108.2	110.6	111.8	112.2	114.1	117.9	115.3
Animal	71.0	66.1	68.3	70.2	73.7	77.0	73.3	74.4	80.1	80.8
Vegetable	125.9	135.2	129.1	133.2	135.0	135.0	137.4	140.2	143.1	138.6
Fruits	102.5	100.6	100.2	97.0	99.7	103.4	103.3	102.6	106.7	103.4
Fresh	106.7	104.3	103.6	104.3	106.8	113.6	112.6	112.5	117.6	120.3
Processed	117.5	116.4	115.0	106.4	110.5	109.7	111.4	110.7	119.8	109.6
Vegetables	101.0	102.7	102.3	101.9	104.4	105.3	106.6	108.4	106.1	109.7
Fresh	101.8	101.9	100.9	100.3	103.6	105.5	107.2	110.7	107.4	112.0
Processed	98.9	105.5	106.8	107.1	107.0	105.0	105.0	101.6	102.4	103.2
Potatoes/sweetpotatoes	112.1	107.3	113.1	115.0	118.1	115.7	113.1	116.1	120.6	120.6
Fresh	88.2	82.9	85.9	81.9	87.1	88.9	78.3	82.7	84.7	83.4
Processed	132.0	128.3	137.2	146.2	146.3	138.8	146.7	147.7	154.8	156.5
Beans, peas, & peanuts	104.7	100.6	98.0	99.8	104.5	90.4	97.9	108.1	111.8	106.0
Flour & cereal products	101.3	104.0	103.1	100.9	106.0	105.3	105.7	108.5	104.7	104.8
Sugar & sweeteners	102.9	108.5	111.4	112.2	113.2	112.5	113.9	113.5	115.6	119.2
Coffee, tea, & cocoa	88.1	91.9	72.0	78.5	82.4	79.0	78.2	75.5	76.1	78.3
Total food	101.6	105.1	103.6	103.2	104.2	103.9	104.0	103.8	105.8	106.6
Animal products	99.1	103.5	103.1	101.9	101.3	101.5	101.1	100.0	102.8	103.9
Crop products 3/	104.7	106.9	103.8	104.6	107.7	106.8	107.6	108.7	109.5	109.9

1/ Quantities of individual foods are combined in terms of 1977-79 retail prices. 2/ Preliminary.  
3/ Includes melons in addition to groups shown separately.

Note: Historical food consumption indexes may be found in Food Consumption, Prices and Expenditures, 1963-83, Statistical Bulletin 713, ERS, USDA.

## Farm Income

### Farm income statistics

	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985 F
\$ Bil.											
<b>Receipts</b>											
Cash receipts:											
Crops 1/	45.8	49.0	48.6	53.0	62.3	71.8	72.9	72.7	66.8	69.1	67 to 71
Livestock	43.1	46.3	47.6	59.2	69.2	68.0	69.2	70.3	69.4	72.7	67 to 71
Total	88.9	95.4	96.2	112.2	131.5	139.8	142.1	142.9	136.3	141.8	136 to 140
Other cash income 2/	1.8	1.8	3.0	4.9	3.6	3.5	4.4	6.1	11.8	11.4	8 to 12
Gross cash income	90.7	97.2	99.3	117.1	135.1	143.3	146.5	149.0	148.1	153.3	147 to 152
Nonmoney income 3/	6.5	7.3	8.4	9.2	10.5	12.2	13.7	14.0	13.1	12.9	11 to 13
Realized gross income	97.2	104.4	107.6	126.3	145.6	155.5	160.2	163.0	161.2	166.1	158 to 163
Value of inventory chg	3.4	-1.5	1.1	2.1	5.0	-5.9	5.8	-1.4	-10.6	7.8	-2 to 2
Total gross income	100.6	102.9	108.8	128.4	150.7	149.6	166.0	161.6	150.6	174.0	158 to 163
<b>Expenses</b>											
Cash expenses 4/	61.7	67.8	72.0	82.6	98.1	106.1	110.7	110.7	109.8	114.1	109 to 113
Total expenses	75.0	82.7	88.9	101.0	119.0	129.4	136.1	136.9	135.6	139.5	133 to 137
<b>Income</b>											
Net cash income	29.0	29.4	27.3	34.6	37.0	37.2	35.8	38.3	38.3	39.2	35 to 40
Total net farm income	25.5	20.2	19.9	27.4	31.7	20.2	29.8	24.6	15.0	34.5	23 to 27
Deflated total net farm income 5/	20.3	15.2	14.2	18.2	19.4	11.3	15.3	11.9	7.0	15.5	10 to 12
Off-farm income	23.9	26.7	26.1	29.7	33.8	35.1	36.9	37.9	38.8	40.0	39 to 43

F = Forecast. 1/ Includes net OCC loans. The 1978-1985 figures exclude sales of forest products. 2/ Income from machine hire and custom work, farm recreational income, and direct government payments. The 1978-1985 figures include sales of forest products and other misc. sources. 3/ Imputed gross rental value of farm dwellings and value of home consumption. 4/ Excludes depreciation of farm capital, perquisites to hired labor, and expenses associated with farm dwellings, and includes net rent to all landlords. 5/ Deflated by the GNP implicit price deflator, 1972=100. Totals may not add due to rounding.

## Farm production<sup>1</sup>

Item	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985 2/
1977=100										
Farm output	97	100	104	111	103	118	114	95	111	116
All livestock products 3/	99	100	101	104	108	109	107	109	107	109
Meat animals	100	100	100	103	107	106	101	103	101	101
Dairy products	98	100	99	101	105	108	110	114	110	115
Poultry & eggs	98	100	106	114	115	119	119	120	123	127
All crops 4/	92	100	102	113	101	116	118	88	110	116
Feed grains	96	100	108	116	97	121	124	67	115	130
Hay & forage	94	100	106	108	98	106	110	101	107	107
Food grains	107	100	93	108	121	144	140	117	129	120
Sugar crops	112	100	101	94	97	107	96	96	95	98
Cotton	74	100	76	102	79	109	85	54	90	95
Tobacco	112	100	106	80	93	108	104	74	90	80
Oil crops	74	100	105	129	99	114	124	89	106	118
Cropland used for crops	98	100	97	100	101	102	101	88	99	99
Crop production per acre	94	100	105	113	100	114	117	100	111	117

1/ For historical data and indexes, see Changes in Farm Production and Efficiency USDA Statistical Bulletin 657.

2/ Preliminary indexes for 1985 based on October 1985 Crop Production report and other releases of the Crop Reporting Board, SRS. 3/ Gross livestock production includes minor livestock products not included in the separate groups shown. It cannot be added to gross crop production to compute farm output. 4/ Gross crop production includes some miscellaneous crops not in the separate groups shown. It cannot be added to gross livestock production to compute farm output.

## Cash receipts from farming

	1984						1985						
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	July
Farm marketings and CCC loans 1/	10,390	11,108	12,210	15,728	16,120	13,453	13,066	9,780	10,371	9,554	9,090	9,876	10,638
Livestock and products	5,698	5,781	5,963	6,387	6,224	5,898	6,165	5,748	6,017	5,711	5,827	5,654	5,438
Meat animals	2,931	3,231	3,355	3,572	3,617	3,333	3,684	3,408	3,419	3,228	3,315	3,151	2,826
Dairy products	1,484	1,465	1,436	1,497	1,472	1,546	1,538	1,445	1,606	1,539	1,586	1,498	1,491
Poultry and eggs	1,024	981	941	1,009	1,006	909	799	795	879	825	813	896	864
Other	258	105	231	308	129	111	143	99	112	119	113	108	256
Crops	4,692	5,327	6,247	9,341	9,896	7,554	6,901	4,032	4,354	3,843	3,263	4,222	5,200
Food grains	1,537	1,645	1,138	1,096	686	538	653	448	397	300	280	1,153	1,693
Feed crops	1,904	992	905	700	742	950	2,476	1,093	1,179	880	754	847	1,086
Cotton (lint and seed)	-14	85	208	946	1,030	864	634	465	199	90	-45	82	12
Tobacco	10	560	537	452	457	414	488	64	18	24	4	0	61
Oil-bearing crops	258	284	806	2,402	2,364	1,370	1,390	683	1,012	708	544	610	682
Vegetables and melons	681	852	1,038	1,033	682	608	570	514	632	754	750	636	665
Fruits and tree nuts	571	424	667	734	870	736	170	251	225	225	326	499	602
Other	402	396	676	706	1,149	905	520	515	693	862	649	395	399
Government payments	450	193	115	85	334	1,940	802	1,452	806	2,481	377	192	205
Total cash receipts	10,840	11,301	12,325	15,813	16,454	15,393	13,868	11,232	11,177	12,035	9,467	10,068	10,843

1/ Receipts from loans represent value of commodities placed under CCC loans minus value of redemptions during the month.

# Cash receipts<sup>1</sup> from farm marketings, by States

State	Livestock and products		Crops 2/		Total 2/	
	Jan.-July 1984	Jan.-July 1985	Jan.-July 1984	Jan.-July 1985	Jan.-July 1984	Jan.-July 1985
	\$Mil.					
North Atlantic						
Maine	172	147	113	84	285	231
New Hampshire	45	45	16	16	61	61
Vermont	212	215	12	11	224	227
Massachusetts	78	78	87	83	165	162
Rhode Island	8	8	20	20	28	28
Connecticut	124	116	83	88	207	204
New York	1,122	1,091	346	313	1,467	1,404
New Jersey	80	80	189	202	269	282
Pennsylvania	1,347	1,273	492	517	1,838	1,790
North Central						
Ohio	960	848	952	1,009	1,911	1,856
Indiana	1,040	935	1,033	948	2,073	1,883
Illinois	1,315	1,319	2,616	2,771	3,931	4,089
Michigan	758	717	684	786	1,442	1,503
Wisconsin	2,413	2,387	497	390	2,910	2,777
Minnesota	1,896	1,844	1,342	1,299	3,238	3,144
Iowa	3,108	2,819	2,420	2,083	5,528	4,902
Missouri	1,310	1,241	656	548	1,966	1,790
North Dakota	392	404	584	786	977	1,190
South Dakota	1,081	1,072	460	498	1,540	1,570
Nebraska	2,611	2,626	1,339	1,190	3,950	3,816
Kansas	2,215	2,222	1,143	1,234	3,359	3,456
Southern						
Delaware	241	209	45	42	286	251
Maryland	494	452	137	137	631	589
Virginia	613	587	186	220	799	807
West Virginia	99	98	12	20	111	118
North Carolina	1,120	990	401	416	1,520	1,406
South Carolina	250	216	256	220	506	435
Georgia	1,158	956	432	501	1,590	1,456
Florida	648	602	2,402	2,137	3,050	2,739
Kentucky	692	699	452	704	1,144	1,403
Tennessee	543	563	335	472	878	1,035
Alabama	861	747	210	277	1,071	1,024
Mississippi	631	604	257	468	888	1,072
Arkansas	1,149	992	328	513	1,477	1,505
Louisiana	278	283	296	335	574	617
Oklahoma	931	1,055	428	625	1,359	1,681
Texas	3,428	3,225	1,614	1,973	5,041	5,199
Western						
Montana	372	380	340	261	712	641
Idaho	497	513	537	481	1,034	994
Wyoming	203	206	34	32	238	238
Colorado	1,225	1,114	546	634	1,771	1,748
New Mexico	347	383	153	194	500	577
Arizona	456	422	332	440	789	862
Utah	236	231	69	67	305	297
Nevada	97	97	46	45	143	142
Washington	594	590	887	786	1,482	1,376
Oregon	330	334	481	430	812	764
California	2,651	2,472	4,115	4,216	6,766	6,687
Alaska	4	4	7	7	11	11
Hawaii	51	51	305	286	355	337
United States	42,486	40,559	30,729	31,815	73,216	72,375

1/ Estimates as of the end of current month. 2/ Sales of farm products include receipts from commodities placed under CCC loans minus value of redemptions during the period. Rounded data may not add.

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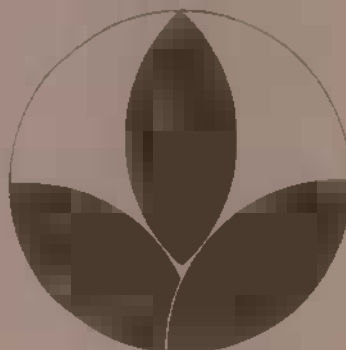
The economic health of U.S. agriculture will come under close scrutiny at Outlook '86, USDA's 62nd annual agricultural outlook conference, which will be held in Washington, D.C., December 3-5.

Shorter and tighter than last year, the conference will provide policymakers with a complete overview of the agricultural situation in 2-1/2 days. Following registration Monday afternoon, Dec. 2, the conference gets underway Tuesday at 9:45 a.m. with the outlook for the general economy, agriculture, and trade. Sessions for the remainder of the day will focus on the economic well-being of the farm sector, including the state of agriculture, farm income, credit, and the 1985 farm bill. Wednesday's sessions will cover the major farm commodities, as well as family economics and nutrition.

All speeches in the Jefferson Auditorium can be accessed live by dialing (900) 410-Jeff. The service costs 50 cents for the first minute and 35 cents for each additional minute.

For a copy of the preliminary Outlook '86 program, which contains time and location for each session, please write: Outlook '86, USDA/WAOB, Room 5143 South, Washington, D.C. 20250.

OUTLOOK '86



Dec. 3-5